**PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 16, 2026**

This is a Preliminary Official Statement and the information contained herein is subject to change, completion and amendment without notice. Under no circumstances will this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities offered hereby by any person, 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. A definitive Official Statement with respect to the securities offered hereby will be made available.

**New Issue - Book-Entry Only** | **Ratings: See "RATINGS."**

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, and, for the Series 2027 Bonds, subject to the satisfaction of certain conditions and to the occurrence of certain events described herein under the heading "FORWARD DELIVERY OF THE SERIES 2027 BONDS," interest on the Series 2026/2027 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, subject to those same conditions, interest on the Series 2026/2027 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Series 2026/2027 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2026/2027 Bonds. See "TAX MATTERS" herein.*

# CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

## Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) $386,950,000* Series 2026

## Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) $136,080,000* Series 2027 (Forward Delivery)

**Dated: Date of Delivery** | **Due: May 15, as shown on the inside cover**

California Statewide Communities Development Authority (the "Issuer") is offering $386,950,000* aggregate principal amount of its Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF—Irvine, L.L.C.) Series 2026 (the "Series 2026 Bonds") and $136,080,000* aggregate principal amount of its Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF—Irvine, L.L.C.) Series 2027 (the "Series 2027 Bonds" and, together with the Series 2026 Bonds, the "Series 2026/2027 Bonds"). The proceeds of the sale of the Series 2026 Bonds, together with other funds, will be used to provide funds to (i) finance the design, acquisition, construction, improvement, furnishing and equipping of, approximately, a 308-unit, 1,065-bed student housing facility and other related and appurtenant facilities located on the campus of the University of California, Irvine (as more particularly described herein, the "Series 2026 Project") on land owned by The Regents of the University of California ("The Regents") and leased to the Borrower (as defined below) and the demolition or construction of certain improvements intended to benefit the Series 2026 Project (the "Series 2026 Offsite Elements"), including landscaping, hardscaping, utility lines, access roads, sidewalks and reconfiguration of certain parking, on land that is adjacent to the Series 2026 Project Site but that will not be leased to the Borrower and (ii) subject to market conditions, refund all of the $197,300,000 outstanding aggregate principal amount of its Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2016, (iii) pay capitalized interest, (iv) make a deposit to the Working Capital and Marketing Fund (as defined herein), (v) make a deposit to the UCI Bonds Pooling Subaccount of the Liquidity Account (as defined herein), (vi) make a deposit to the Coverage Reserve Fund (as defined herein) and (vii) pay the Issuance Costs of the Series 2026 Bonds. The proceeds of the sale of the Series 2027 Bonds, together with other funds, will be used to provide funds to (i) refund all of the $133,520,000 outstanding aggregate principal amount of its Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase IV-A CHF–Irvine, L.L.C.) Series 2017, (ii) make a deposit to the UCI Bonds Pooling Subaccount of the Liquidity Account, (iii) make a deposit to the Coverage Reserve Fund and (iv) pay the Issuance Costs of the Series 2027 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE." The Series 2026 Project will be owned by CHF–Irvine, L.L.C. (the "Borrower"), a limited liability company organized under the laws of the State of Alabama.

The Series 2026/2027 Bonds are being issued under and pursuant to the Constitution and laws of the State of California, particularly the Joint Exercise of Powers Act, comprising Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended (the "Act"), and an Indenture, dated as of December 1, 2004, between the Issuer and The Bank of New York Mellon Trust Company, N.A. (formerly The Bank of New York Trust Company, N.A.), as trustee (the "Bond Trustee"), as previously amended and supplemented (the "Original Indenture"), and as further supplemented by a Seventh Supplemental Indenture, dated as of October 1, 2026 (the "Seventh Supplemental Indenture") with respect to the Series 2026 Bonds and an Eighth Supplemental Indenture, to be dated as of February 1, 2027 (the "Eighth Supplemental Indenture" and, together with the Original Indenture and the Seventh Supplemental Indenture, the "Indenture"). Principal of, premium, if any, and interest on the Series 2026/2027 Bonds are payable solely from a pledge of moneys derived from a Loan Agreement, dated as of December 1, 2004, between the Issuer and the Borrower, as previously amended and supplemented (the "Original Loan Agreement"), and as further supplemented by a Seventh Supplemental Loan Agreement, dated as of October 1, 2026 (the "Seventh Supplemental Loan Agreement") with respect to the Series 2026 Bonds and an Eighth Supplemental Loan Agreement, to be dated as of February 1, 2027 (the "Eighth Supplemental Loan Agreement" and, together with the Original Loan Agreement and the Seventh Supplemental Loan Agreement, the "Loan Agreement"), and from property pledged under the Leasehold Deed of Trust (as defined herein). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Series 2026/2027 Bonds and all other Bonds issued pursuant to the Indenture are entitled to the equal benefit, protection and security of the pledge and covenants and agreements of the Indenture. There are other outstanding Bonds issued pursuant to the Indenture. Moreover, the Indenture permits the Issuer to issue Additional Bonds secured by the lien of the Indenture on a parity with the Series 2026/2027 Bonds and all other outstanding Bonds under certain circumstances. See "INTRODUCTORY STATEMENT" and "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

**Neither the Foundation (as defined herein) nor any limited liability company or corporation established by the Foundation (other than the Borrower) will have any obligation with respect to the Series 2026/2027 Bonds or under the Loan Agreement or any of the other Bond Documents (as defined in the Indenture). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Limited Obligations" herein. The Borrower's obligations with respect to the Series 2026/2027 Bonds are non-recourse. See "NO RECOURSE AGAINST BORROWER'S MEMBER AND OFFICERS."**

As described under "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Prospective Bond Insurance," the Borrower expects that the scheduled payment of principal of and interest on all or a portion of the Series 2026/2027 Bonds (collectively, the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the applicable Series of the Insured Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY. See also "BOND INSURANCE."

BAM℠

**THE SERIES 2026/2027 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) OR THE UNIVERSITY (AS DEFINED HEREIN) OR THE REGENTS OR THE CITY OF IRVINE BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2026/2027 BONDS, OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST THEREON, EXCEPT FROM THE FUNDS PROVIDED UNDER THE INDENTURE AND THE LOAN AGREEMENT AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING THE ISSUER) OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2026/2027 BONDS. THE ISSUANCE OF THE SERIES 2026/2027 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE ISSUER HAS NO TAXING POWER. MOREOVER, NEITHER THE ISSUER NOR THE PROGRAM PARTICIPANT (AS DEFINED IN THE INDENTURE) SHALL BE LIABLE FOR ANY OTHER COSTS, EXPENSES, LOSSES, DAMAGES, CLAIMS OR ACTIONS, IN CONNECTION WITH THE LOAN AGREEMENT, THE SERIES 2026/2027 BONDS OR THE INDENTURE, EXCEPT ONLY TO THE EXTENT AMOUNTS ARE RECEIVED FOR THE PAYMENT THEREOF FROM THE BORROWER UNDER THE LOAN AGREEMENT.**

The Series 2026/2027 Bonds will be issued as fully registered bonds without coupons in denominations of $5,000 and any multiple thereof. The Series 2026/2027 Bonds will bear interest from the applicable Date of Delivery, payable semiannually on each November 15 and May 15, for each series of Series 2026/2027 Bonds, commencing May 15, 2027 (each, an "Interest Payment Date"). The Series 2026/2027 Bonds will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2026/2027 Bonds. So long as Cede & Co. is the registered owner of the Series 2026/2027 Bonds, references herein to the Owners of the Series 2026 Bonds shall mean Cede & Co. and will not mean the beneficial owners of the Series 2026/2027 Bonds. So long as Cede & Co. is the registered owner of the Series 2026 Bonds, the payment of principal of, interest, and premium, if any, on the Series 2026/2027 Bonds will be made to Cede & Co., which will in turn be responsible for making such payments to its participants for subsequent disbursement to the beneficial owners. See "The Series 2026/2027 Bonds."

**The Series 2026/2027 Bonds will be subject to mandatory, optional and extraordinary optional redemption prior to maturity as described herein. See "The Series 2026/2027 Bonds—Redemption."**

**MATURITIES, AMOUNTS, INTEREST RATES, AND PRICES OR YIELDS**
**SEE INSIDE COVER**

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision.

*The Series 2026/2027 Bonds are offered when, as, and if received by the Underwriters, subject to the approval as to legality by Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Certain legal matters will be passed upon by Orrick, Herrington & Sutcliffe LLP, counsel to the Issuer; Nixon Peabody LLP, special counsel to The Regents; the Office of General Counsel, counsel to The Regents; Hand Arendall Harrison Sale LLC, counsel to the Borrower; Morgan, Lewis & Bockius LLP, counsel to the Developer and the Manager; and O'Melveny & Myers LLP, counsel to the Underwriters. It is expected that the Series 2026 Bonds will be available for delivery to DTC in New York, New York on or about October __, 2026. It is expected that the Series 2027 Bonds will be available for delivery to DTC in New York, New York on or about February __, 2027.* ***Potential investors should carefully review the information under the caption "FORWARD DELIVERY OF THE SERIES 2027 BONDS."***

**Barclays**

**J.P. Morgan** | **Raymond James** | **Stifel**

Dated: _________, 2026

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* Preliminary, subject to change.

## MATURITY AND PRICING SCHEDULE

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**
**Student Housing Revenue Bonds**
**(University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.)**

**$386,950,000* Series 2026**

| Maturity* (May 15) | Principal Amount ($) | Interest Rate (%) | Yield (%) | CUSIP† No. (13078R) |
|---|---|---|---|---|

$_________ _____% Term Bond due May 15, 20__ – Yield _____% CUSIP† No. 13078R___

$_________ _____% Term Bond due May 15, 20__ – Yield _____% CUSIP† No. 13078R___

$_________ _____% Term Bond due May 15, 20__ – Yield _____% CUSIP† No. 13078R___

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**
**Student Housing Refunding Revenue Bonds**
**(University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.)**

**$136,080,000* Series 2027 (Forward Delivery)**

| Maturity* (May 15) | Principal Amount ($) | Interest Rate (%) | Yield (%) | CUSIP† No. (13078R) |
|---|---|---|---|---|

$__________ _____% Term Bond due May 15, 20__ – Yield _____% CUSIP† No. 13078R___

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* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc.  CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Issuer, the Borrower, The Regents, the Underwriters or their agents or counsel assume responsibility for the use or accuracy of such numbers.

**IN CONNECTION WITH THE OFFERING OF THE SERIES 2026/2027 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2026/2027 BONDS OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

**The Underwriters have provided the following sentence for inclusion in this Official Statement: 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 laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.**

**No representation is made that past experience, as it might be shown by financial and other information, will necessarily continue or be repeated in the future. See "FORWARD-LOOKING STATEMENTS" herein.**

**No dealer, broker, salesperson, or any other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering made hereby, and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer, the Borrower, the University, The Regents, the Developer, the Manager or the Underwriters. Neither the delivery of this Official Statement nor any sale hereunder will under any circumstances create any implication that there has been no change in the affairs of the Issuer or the Borrower since the date hereof. This Official Statement does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.**

**Build America Mutual Assurance Company ("BAM") makes no representation regarding the Series 2026/2027 Bonds or the advisability of investing in the Series 2026/2027 Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE" and APPENDIX I — "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."**

**THE SERIES 2026/2027 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC") UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE INDENTURE HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT.**

**THE SERIES 2026/2027 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR WITH THE SECURITIES COMMISSION OR ANY REGULATORY AUTHORITY OF ANY STATE, NOR HAS THE SEC OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**Statements in this Official Statement are made as of the date hereof unless stated otherwise and neither the delivery of this Official Statement at any time, nor any sales thereunder, shall under any circumstances create an implication that the information contained herein is correct as of any time subsequent to the date hereof.**

**The references to internet websites in this Official Statement are shown for reference and convenience only; unless explicitly stated to the contrary, the information contained within the websites is not incorporated herein by reference and does not constitute part of this Official Statement.**

**In making an investment decision, investors must rely on their own examination of the Borrower and the terms of the offering, including the merits and risks involved. Prospective investors should not construe the contents of this Official Statement as legal, tax or investment advice.**

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## SUMMARY STATEMENT

*The following Summary Statement is qualified in its entirety by the more detailed information contained elsewhere in this Official Statement and the appendices hereto (collectively, this "Official Statement"). The offering of the Series 2026/2027 Bonds to potential investors is made only by means of this entire Official Statement, and no person is authorized to detach the following Summary Statement from this Official Statement or to use it otherwise without the entire Official Statement.*

| | |
|---|---|
| **Consent to Amendment to Indenture** | As a result of their purchase of the Series 2026 Bonds, purchasers thereof (but not the Underwriters) will be deemed to have consented to an amendment to the Indenture that amends the Additional Bonds (as defined in the Indenture) requirements under the Indenture, which amendment is described under "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Additional Bonds" herein. Upon issuance of the Series 2026 Bonds, the purchasers of the Series 2021 Bonds (who also were deemed to have consented to the amendment) and the Series 2026 Bonds will represent at least two-thirds (2/3) of the aggregate principal amount of the Bonds then Outstanding and therefore such amendment will be effective from and after issuance of the Series 2026 Bonds. Thereafter, the purchase of Additional Bonds issued pursuant to the Indenture (including the Series 2027 Bonds) shall constitute the consent of such purchasers, as Bondholders, to such amendment. The Underwriters have not consented to, and shall not be deemed to have consented to, such amendment to the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Consent to Amendment to Indenture" herein. |
| **The Issuer** | The California Statewide Communities Development Authority (the "Issuer") is a joint powers agency organized pursuant to a Joint Powers Agreement among a number of California counties, cities and special districts entered into pursuant to the provisions relating to the joint exercise of powers contained in Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code. The Issuer is authorized to participate in financings for the benefit of certain organizations described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). See "THE ISSUER" herein. |
| **The Borrower** | CHF–Irvine, L.L.C. (the "Borrower") is a limited liability company, organized in July 2004 under the laws of the State of Alabama for the purpose of assisting UCI (as defined below) to provide housing for its students. The Borrower is not expected to have any assets other than the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, the Series 2021 Project and the Series 2026 Project (each as defined below) and any additions thereto or expansions thereof. The Borrower's sole member is Collegiate Housing Foundation, a non-profit corporation organized and existing under the laws of the State of Alabama (the "Foundation"). The Foundation is an organization that is exempt from federal income tax pursuant to Section 501(c)(3) of the Code. The Foundation was organized in 1996. The proceeds of the Series 2026/2027 Bonds will be loaned to the Borrower pursuant to a Loan Agreement, dated as of December 1, 2004, between the Issuer and the Borrower, as previously amended and supplemented (the "Original Loan Agreement"), and as further supplemented by a Seventh Supplemental Loan Agreement, dated as of October 1, 2026 (the "Seventh Supplemental Loan Agreement"), with respect to the Series 2026 Bonds, and an Eighth Supplemental Loan Agreement, to be dated as of February 1, 2027 (the "Eighth Supplemental Loan Agreement" and, together with the Original |

Loan Agreement and the Seventh Supplemental Loan Agreement, the "Loan Agreement"), with respect to the Series 2027 Bonds, to be applied by the Borrower as described under "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE" herein. See "THE BORROWER" herein.

**Neither the Foundation nor any limited liability company or corporation established by the Foundation (other than the Borrower) will have any obligation with respect to the Series 2026/2027 Bonds or under the Loan Agreement or any of the other Bond Documents (as defined in the Indenture). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Limited Obligations" herein. The Borrower's obligations with respect to the Series 2026/2027 Bonds are non-recourse. See "NO RECOURSE AGAINST BORROWER'S MEMBER AND OFFICERS" herein. The Borrower's ability to pay the principal of and interest on the Series 2026/2027 Bonds may be adversely affected by its contractual obligations with respect to the Bonds and the Project, including requirements for payment by the Borrower pursuant to indemnity obligations under certain of the Bond Documents. See "INVESTMENT CONSIDERATIONS—Limited Security; Non-Recourse Obligations" herein.**

**The University and The Regents**

The University of California (the "University"), established in 1868, is the public institution of higher education designated by the State of California in its master plan for higher education for the training of individuals for the professions, for the awarding of doctoral degrees in all fields of human knowledge, and for the conduct of research. It currently operates general campuses located in Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, Santa Barbara and Santa Cruz; a health science campus located in San Francisco; and laboratories, research stations and institutes, affiliated schools, activity locations, and a statewide Division of Agriculture and Natural Resources. The California State Constitution provides that the University shall be a public trust administered by the corporation, The Regents of the University of California ("The Regents"), which is vested with full powers of organization and government, subject only to such legislative control necessary to ensure the security of its funds and compliance with the terms of the endowments of the University and the compliance with certain statutory and administrative requirements. The governing board of the University is composed of 26 members, a majority of whom are appointed by the Governor of the State of California (the "State") and confirmed by the State Senate.

**None of the funds or assets of The Regents are pledged as security for the Series 2026/2027 Bonds.**

The Regents expects to enter into an amended and restated sub-management agreement with the Manager (as defined below), whereby The Regents will assume certain responsibilities of the Manager under the Series 2021/2026 Management Agreement (as defined below). See "THE MANAGER—Sub-Management Agreement" herein.

See "THE UNIVERSITY AND THE REGENTS" herein.

**UCI**†

The University of California, Irvine ("UCI") is a campus of the University, located in Irvine, California. UCI was established in 1965 as the ninth campus of the University. It offers undergraduate and graduate level study and is a component campus of the University. Total student headcount enrollment for Fall Quarter 2026 is estimated by UCI (as of August 10, 2026) to be approximately 38,502. On-campus student housing at UCI consists of residence halls intended for first year students and theme houses and student apartments for continuing undergraduate students, transfer students, graduate students and students with families. Such housing includes, but is not limited to, certain non-University-owned student residential communities developed as part of a third-party-owned housing project on the east side of UCI's campus referred to as the "Project" or the "East Campus Apartments," which currently include the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project described under "The Project" below and will include the Series 2026 Project when completed. See "THE UNIVERSITY OF CALIFORNIA, IRVINE" herein and "THE PROJECT—Existing On-Campus Student Housing" in Appendix A hereto.

**The Series 2026/2027 Bonds; Forward Delivery of the Series 2027 Bonds**

The Issuer will issue $386,950,000* aggregate principal amount of revenue bonds to be designated "California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2026" (the "Series 2026 Bonds") and $136,080,000* aggregate principal amount of revenue bonds to be designated "California Statewide Communities Development Authority Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2027 (Forward Delivery)" (the "Series 2027 Bonds" and, together with the Series 2026 Bonds, the "Series 2026/2027 Bonds").

The proceeds of the sale of the Series 2026 Bonds, together with other funds, will be used to provide funds to (i) finance the design, acquisition, construction, improvement, furnishing and equipping of the Series 2026 Project (as defined below) and the demolition or construction of the Series 2026 Offsite Elements (as defined below) and (ii) subject to market conditions, refund all of the $197,300,000 outstanding aggregate principal amount of its Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2016, (iii) pay capitalized interest, (iv) make a deposit to the Working Capital and Marketing Fund (as defined herein), (v) make a deposit to the UCI Bonds Pooling Subaccount of the Liquidity Account (as defined herein), (vi) make a deposit to the Coverage Reserve Fund and (vii) pay the Issuance Costs of the Series 2026 Bonds.

The Issuer expects to deliver the Series 2027 Bonds, in book-entry form to DTC, on or about February __, 2027 (the "2027 Settlement Date") pursuant to the 2027 Bond Purchase Agreement (as defined herein), which is a forward delivery purchase contract. The forward delivery of the Series 2027 Bonds is necessary to comply with certain federal income tax requirements for a tax-exempt refunding of certain of the Series 2017

† Source: UCI, Office of Institutional Research and UCI, Housing Office.

* Preliminary, subject to change

Bonds to be refunded. The 2027 Settlement Date and certain conditions to the obligations of the Underwriters to purchase the Series 2027 Bonds give rise to certain risks to investors. See "FORWARD DELIVERY OF THE SERIES 2027 BONDS" herein. The Underwriters have advised the Issuer and the Borrower that the Series 2027 Bonds will be sold only to investors who execute a Delayed Delivery Contract in substantially the form of Appendix G attached hereto.

The proceeds of the sale of the Series 2027 Bonds, together with other funds, will be used to provide funds to (i) refund all of the $133,520,000 outstanding aggregate principal amount of its Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase IV-A CHF–Irvine, L.L.C.) Series 2017, (ii) make a deposit to the UCI Bonds Pooling Subaccount of the Liquidity Account, (iii) make a deposit to the Coverage Reserve Fund and (iv) pay the Issuance Costs of the Series 2027 Bonds.

See "THE SERIES 2026/2027 BONDS," "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE" herein.

The Series 2026/2027 Bonds and all other bonds issued pursuant to the Indenture (collectively, the "Bonds") are entitled to the equal benefit, protection and security of the pledge and covenants and agreements of the Indenture. There are other outstanding Bonds issued pursuant to the Indenture. Moreover, the Indenture permits the Issuer to issue Additional Bonds secured by the lien of the Indenture on a parity with the Series 2026/2027 Bonds and all other outstanding Bonds, under certain circumstances. See "INTRODUCTORY STATEMENT," "DEBT SERVICE" and "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

**The Bond Trustee**

The Bank of New York Mellon Trust Company, N.A. (formerly The Bank of New York Trust Company, N.A.) will act as trustee, bond registrar and paying agent for the Series 2026/2027 Bonds.

**The Master Trustee**

The Bank of New York Mellon Trust Company, N.A. also acts as master trustee under the Financing Trust Agreement (as defined herein). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Pledge and Assignment of Financing Trust Estate" herein.

**The Series 2026 Project and the Series 2026 Offsite Elements**

The new project, to be known as the "East Campus Apartments, Phase V Series 2026" will consist, approximately, of a 308-unit, 1,065-bed student housing facility and other related and appurtenant facilities located in Irvine, California (the "Series 2026 Project"). The site for the construction of the Series 2026 Project (the "Series 2026 Project Site") is on approximately 3.19 acres on the campus of UCI, which will be leased to the Borrower pursuant to the 2026 Ground Lease. (See "The 2026 Ground Lease" below.) Proceeds of the Series 2026 Bonds will also be used to demolish or construct certain improvements intended to benefit the Series 2026 Project (the "Series 2026 Offsite Elements"), including landscaping, hardscaping, utility lines, access roads, sidewalks and reconfiguration of certain parking, on land that is adjacent to the Series 2026 Project Site but that will not be leased to the Borrower. The Series 2026 Project is intended primarily for undergraduate students, with a preference for non-freshman students, and also will be available to graduate students.

The developer and construction manager for the Series 2026 Project and the Series 2026 Offsite Elements will be ACC SC Development (California) LP. See "The Developer" below.

Full construction of the Series 2026 Project and the Series 2026 Offsite Elements is scheduled to begin in October 2026, and UCI and the Developer anticipate the Series 2026 Project will be complete in time for occupancy for Fall Quarter 2028.

The initial manager of the Series 2026 Project will be ACC SC Management (California) LP. See "The Manager" below.

For additional information regarding the Series 2026 Project and the Series 2026 Offsite Elements, see "THE SERIES 2026 PROJECT AND THE SERIES 2026 OFFSITE ELEMENTS" herein and APPENDIX A—"THE PROJECT."

**The Project**

The "Project" consists of (i) the Series 2026 Project, (ii) the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project (each of which is described below) and (iii) any additional projects acquired, constructed, furnished, and equipped with the proceeds of Additional Bonds. The Project excludes Offsite Elements (as defined in the Indenture), including the Series 2026 Offsite Elements.

The "Series 2004 Project," Vista del Campo Norte (also known as "East Campus Student Apartments, Phase II") consists, approximately, of a 545-unit, 1,564-bed student housing facility for undergraduate and graduate students. The site of the Series 2004 Project (the "Series 2004 Project Site") comprises approximately twenty-four acres on the campus of UCI, which was leased to the Borrower pursuant to a Ground Lease Agreement (as amended, the "2004 Ground Lease"), dated as of December 1, 2004, between The Regents, as ground lessor, and the Borrower, as ground lessee. The Series 2004 Project was completed in 2006.

The "Series 2008 Project" is the project known as "East Campus Student Apartments, Phase III, Series 2008," which consists, approximately, of a 720-unit, 2,111-bed student housing facility for undergraduate and graduate students and related amenities and improvements, including a community center and parking facilities, excluding the UCI parking system portion. The site of the Series 2008 Project (the "Series 2008 Project Site"), which is comprised of approximately eighteen acres on the campus of UCI consisting of three parcels, was leased to the Borrower pursuant to a Ground Lease Agreement (as amended, the "2008 Ground Lease"), dated as of July 1, 2008, between The Regents, as ground lessor, and the Borrower, as ground lessee. The Series 2008 Project is composed of two separate communities, also known as Puerta del Sol and Camino del Sol. The Series 2008 Project was completed in 2010.

The "Series 2011 Project," Vista del Campo (also known as "East Campus Student Apartments, Phase I") consists, approximately, of a 488-unit, 1,488-bed student housing facility and related facilities for undergraduate and graduate students that was completed in 2004 and acquired by the Borrower in December 2011. The site of the Series 2011 Project (the "Series 2011 Project Site"), which is comprised of approximately twenty-eight acres on the campus of UCI, was leased to the Borrower pursuant to a Ground Lease Agreement (as amended, the "2011 Ground Lease"), dated as of December 1, 2011, between The Regents, as ground lessor, and the Borrower, as ground lessee.

The "Series 2017 Project," Plaza Verde (also known as the "East Campus Apartments, Phase IV-A Series 2017") consists, approximately, of a 410-unit, 1,441-bed student housing facility and related amenities and improvements, including parking facilities. The site of the Series 2017 Project (the "Series 2017 Project Site"), which is comprised of approximately 8.8 acres on the campus of UCI, was leased to the Borrower pursuant to a Ground Lease Agreement (as amended, the "2017 Ground Lease"), dated as of August 1, 2017, between The Regents, as ground lessor, and the Borrower, as ground lessee. The Series 2017 Project was completed in 2019.

The "Series 2021 Project" is the project known as "East Campus Apartments, Phase IV-B Series 2021," which consists, approximately, of a 295-unit, 1,077-bed student housing facility and other related and appurtenant facilities. The site of the Series 2021 Project (the "Series 2021 Project Site" and, together with Series 2004 Project Site, the 2008 Project Site, the 2011 Project Site, the 2017 Project Site and the 2026 Project Site, the "Project Sites"), which is comprised of approximately 4.2 acres on the campus of UCI, was leased to the Borrower pursuant to a Ground Lease Agreement (as amended, the "2021 Ground Lease"), dated as of October 1, 2021, between The Regents, as ground lessor, and the Borrower, as ground lessee. The Series 2021 Project was completed in 2023.

For additional information regarding the Project, see APPENDIX A—"THE PROJECT."

**The Developer**

ACC SC Development (California) LP, a Delaware limited partnership (the "Developer"), will serve as developer and construction manager for the Series 2026 Project and the Series 2026 Offsite Elements. An affiliate of the Developer also served as developer and construction manager for the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project. The Developer is an affiliate of American Campus Communities, Inc., a Maryland corporation ("ACC"). ACC was founded in October of 1993. ACC became the first publicly traded student housing REIT in 2004 and in April 2022, ACC announced that Blackstone Real Estate Income Trust, Inc., alongside Blackstone Property Partners, would acquire all outstanding stock of ACC, which acquisition was completed in August 2022. As of June 30, 2026, ACC and its predecessor entities and affiliates have participated in the development and/or acquisition of approximately 350 student communities consisting of more than 229,000 beds. ACC was selected to develop the Series 2026 Project as a result of a request for proposals made by The Regents. See "THE DEVELOPER" herein.

**The Manager**

ACC SC Management (California) LP, a Delaware limited partnership, successor by conversion to American Campus Management (California), LLC, a Delaware limited liability company (the "Manager"), currently manages the Project (as defined herein) pursuant to the Management Agreements (as defined herein). The initial manager of the Series 2026 Project will also be the Manager. The Manager is an affiliate of ACC. As of June 30, 2026, ACC or its affiliates managed approximately 162 student housing communities, containing more than 126,000 beds. See "THE MANAGER" herein.

**The 2026 Ground Lease**

Pursuant to a Ground Lease Agreement (the "2026 Ground Lease" and, together with the 2004 Ground Lease, the 2008 Ground Lease, the 2011 Ground Lease, the 2017 Ground Lease and the 2021 Ground Lease, the "Ground Leases"), to be dated as of the date of issuance of the Series 2026 Bonds, between The Regents, as ground lessor (the "2026 Ground Lessor"), and the Borrower, as ground lessee (the "2026 Ground Lessee"), The Regents will lease the Series 2026 Project Site to the Borrower for the period commencing on the date of the issuance of the Series 2026 Bonds and expiring on the earlier of (i) the 40th anniversary of such date at 12:00 midnight California time or (ii) 12:00 midnight California time on the day preceding the first day of the month following final redemption or defeasance of all of the Bonds and satisfaction of any and all amounts due under the Loan Agreement or the Indenture, subject to automatic extension if amounts remain due to The Regents and under certain other circumstances. Under no circumstances, however, shall the term of the 2026 Ground Lease exceed 50 years. The term of the 2026 Ground Lease is further subject to (x) certain early termination rights of The Regents related to events of default, as provided in the 2026 Ground Lease, (y) an option to purchase, whereby The Regents, subject to certain conditions, may acquire the Borrower's entire interest in the Project, and (z) a right of first refusal, whereby The Regents, subject to certain conditions, may acquire the Borrower's entire interest in the Series 2026 Project upon the Borrower's receipt and decision to pursue an unsolicited bona fide offer. See "THE 2026 GROUND LEASE" herein and APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE 2026 GROUND LEASE." See also APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE PRIOR GROUND LEASES."

**Security and Sources of Payment for the Bonds**

The obligations of the Borrower under the Loan Agreement are secured by (i) a Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of December 1, 2004, as previously amended and supplemented (the "Original Leasehold Deed of Trust") and as further supplemented by a Seventh Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of October 1, 2026, with respect to the Series 2026 Bonds and an Eighth Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, to be dated as of February 1, 2027, with respect to the Series 2027 Bonds (the "Eighth Supplemental Leasehold Deed of Trust" and, together with the Original Leasehold Deed of Trust and the Seventh Supplemental Leasehold Deed of Trust, the "Leasehold Deed of Trust") with respect to the Series 2027 Bonds, pursuant to which the Borrower, (a) subject to Permitted Encumbrances (as defined therein), grants to the deed of trust trustee named therein for the benefit of the Bond Trustee a lien on the Borrower's interest in the Project Sites (as defined herein) and all improvements thereon and other interests created by the Ground Leases (as defined herein) and (b) subject to such Permitted Encumbrances, assigns and pledges to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Project and any improvements thereto, and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Project, and all tangible personal property of the Borrower located on the Project Sites and used primarily in connection with the construction, operation or maintenance of the Project and (ii) an Assignment of Construction Documents, dated as of October 1, 2026 relating to the Series 2026 Project (the "Series 2026 Assignment of Construction Documents"), pursuant to which the Borrower assigns to the Bond Trustee its rights under the Series 2021/2026 Management Agreement, the Development Agreement, the Construction Contract, the Architect's Agreement and other contracts relating to the design or construction of the Series 2026 Project and the demolition or construction of the Series 2026 Offsite Elements and any improvements thereto or expansions thereof. As security for its obligations under the Bonds, the Issuer entered into an Indenture, dated as of December 1, 2004, with the Bond Trustee, as previously amended and supplemented (the "Original Indenture"), and as further supplemented by a Seventh Supplemental Indenture, dated as of October 1, 2026 (the "Seventh Supplemental Indenture") with respect to the Series 2026 Bonds and an Eighth Supplemental Indenture, to be dated as of February 1, 2027 (the "Eighth Supplemental Indenture" and, together with the Original Indenture and the Seventh Supplemental Indenture, the "Indenture") with respect to the Series 2027 Bonds. Pursuant to the Indenture, the Issuer assigns and pledges to the Bond Trustee, and grants to the Bond Trustee a first priority security interest in, all of its right, title and interest in the Loan Agreement (except for Unassigned Rights (as defined in the Loan Agreement)), the Leasehold Deed of Trust, the Management Agreement (as defined in the Indenture), the Assignment of Construction Documents (as defined in the Indenture) and all revenues, payments, receipts and moneys to be received and held thereunder.

The Borrower also entered into a Financing Trust Agreement, dated as of December 1, 2004, with the Master Trustee, as amended and as previously supplemented (the "Original Financing Trust Agreement"), and as further supplemented by an Eighth Supplemental Financing Trust Agreement, dated as of October 1, 2026 (the "Eighth Supplemental Financing Trust Agreement") with respect to the Series 2026 Bonds and a Ninth Supplemental Financing Trust Agreement, to be dated as of February 1, 2027 (the "Ninth Supplemental Financing Trust Agreement" and, together with the Original Financing Trust Agreement and the Eighth Supplemental Financing Trust Agreement, the "Financing Trust Agreement") with respect to the Series 2027 Bonds, with the Master Trustee. Pursuant to the Financing Trust Agreement, the Borrower assigns and grants to the Master Trustee, for the benefit of the Owners of the Bonds and any additional bonds secured under the Financing Trust Agreement, a security interest in all right, title and interest of the Borrower and any future borrowers in the funds and accounts established and maintained under the Financing Trust Agreement (collectively, the "Financing Trust Estate").

Under the Loan Agreement, the Borrower is subject to certain financial covenants and restrictions on incurring additional Indebtedness (as defined in the Loan Agreement).

Under certain circumstances, the Indenture permits the Issuer to issue Additional Bonds secured by the lien of the Indenture on a parity with the Series 2026/2027 Bonds and all other outstanding Bonds.

The Borrower expects that the scheduled payment of principal of and interest on all or a portion of the Series 2026/2027 Bonds (collectively, the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the applicable Series of Insured Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY.

See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "BOND INSURANCE" herein and APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS."

**Investment Considerations**

This Official Statement includes a summary of certain risk factors attendant to an investment in the Series 2026/2027 Bonds (see "INVESTMENT CONSIDERATIONS" herein), including information with respect to risks relating to competing facilities, construction costs and delays, reliance on third parties, limitation on acceleration of the Series 2026/2027 Bonds and enforceability of remedies/effect of bankruptcy, among others.

**Continuing Disclosure**

The Borrower covenants in the Continuing Disclosure Agreement to provide such information as may be required by the provisions of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission. None of the Issuer, the University, The Regents or the Bond Trustee (except in its role as dissemination agent) will undertake any responsibility with respect to continuing disclosure under Rule 15c2-12. The Master Trustee has covenanted in the Financing Trust Agreement to cooperate with the Borrower and the Bond Trustee, as dissemination agent, with respect to the Bonds, to provide such information as they may reasonably request in order to meet the Borrower's continuing disclosure obligations under the Loan Agreement. A separate Continuing Disclosure Agreement (collectively referred to herein as the "Continuing Disclosure Agreement") will be executed for the Series 2026 Bonds and for the Series 2027 Bonds. See "CONTINUING DISCLOSURE" and APPENDIX E—"FORM OF CONTINUING DISCLOSURE AGREEMENT" herein.

**Certain Information**

Statements in this Official Statement are made as of the date hereof unless stated otherwise and neither the delivery of this Official Statement at any time, nor any sales thereunder, shall under any circumstances create an implication that the information contained herein is correct as of any time subsequent to the date hereof. Copies of this Official Statement and other relevant documents and information regarding the documents are available upon request from the Underwriters prior to the issuance and delivery of the Series 2026 Bonds and from the Bond Trustee after the issuance and delivery of the Series 2026 Bonds. See "INTRODUCTORY STATEMENT," "SOURCES OF INFORMATION" and "MISCELLANEOUS" herein.

# OFFICIAL STATEMENT

## CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

**Student Housing Revenue Bonds**
**(University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.)**
**$386,950,000* Series 2026**

**Student Housing Refunding Revenue Bonds**
**(University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.)**
**$136,080,000* Series 2027 (Forward Delivery)**

## INTRODUCTORY STATEMENT

This Official Statement, including the cover page and the appendices hereto, furnishes certain information in connection with the sale by the California Statewide Communities Development Authority (the "Issuer") of $386,950,000* in aggregate principal amount of its Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2026 (the "Series 2026 Bonds") and $136,080,000* in aggregate principal amount of its Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2027 (Forward Delivery) (the "Series 2027 Bonds" and, together with the Series 2026 Bonds, the "Series 2026/2027 Bonds") to be issued by the Issuer under and pursuant to the Constitution and laws of the State of California (the "State"), particularly the Joint Exercise of Powers Act, comprising Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State, as amended (the "Act"), and an Indenture, dated as of December 1, 2004, between the Issuer and The Bank of New York Mellon Trust Company, N.A. (formerly The Bank of New York Trust Company, N.A.), as trustee (the "Bond Trustee"), as previously amended and supplemented (the "Original Indenture"), and as further supplemented by a Seventh Supplemental Indenture, dated as of October 1, 2026 (the "Seventh Supplemental Indenture") with respect to the Series 2026 Bonds and an Eighth Supplemental Indenture, to be dated as of February 1, 2027 (the "Eighth Supplemental Indenture" and, together with the Original Indenture and the Seventh Supplemental Indenture, the "Indenture") with respect to the Series 2027 Bonds.

Prior to the issuance of the Series 2026/2027 Bonds, the Issuer for the benefit of CHF–Irvine, L.L.C. (the "Borrower"), an Alabama limited liability company, has previously issued under the Indenture $109,780,000 initial aggregate principal amount of its Student Housing Revenue Bonds (CHF–Irvine, L.L.C.–UCI East Campus Apartments, Phase II) Series 2004 (the "Series 2004 Bonds") to finance the Series 2004 Project, $99,290,000 initial aggregate principal amount of its Student Housing Refunding Revenue Bonds (CHF–Irvine, L.L.C.–UCI East Campus Apartments, Phase II) Series 2006 (the "Series 2006 Bonds") to refund a portion of the Series 2004 Bonds, $220,915,000 initial aggregate principal amount of its Student Housing Revenue Bonds (CHF–Irvine, L.L.C.–UCI East Campus Apartments, Phase II) Series 2008 (the "Series 2008 Bonds") to finance the Series 2008 Project, $94,510,000 initial aggregate principal amount of its Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding–CHF–Irvine, L.L.C.) Series 2011 (the "Series 2011 Bonds") to finance the Series 2011 Project, $282,555,000 initial aggregate principal amount of its Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2016 (the "Series 2016 Bonds") to refund all outstanding Series 2004 Bonds, Series 2006 Bonds and Series 2008 Bonds, $148,550,000 initial aggregate principal amount of its Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase IV-A CHF–Irvine, L.L.C.) Series 2017 (the "Series 2017 Bonds") to finance the Series 2017 Project, and $191,250,000 initial aggregate principal amount of its Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase IV-B CHF–Irvine, L.L.C.) Series 2021 (the "Series 2021 Bonds") to finance the Series 2021 Project and to refund all outstanding Series 2011 Bonds. The Series 2026/2027 Bonds and all other bonds issued pursuant to the Indenture and any other Additional Bonds (as defined herein) are collectively referred to herein as the "Bonds." As of September 30, 2026, there remained Outstanding Bonds in the aggregate principal amount of $508,965,000 as shown in Table 1 below. See also "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Outstanding Bonds; Parity Obligations" herein.

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* Preliminary, subject to change.

**Table 1**
**Outstanding Bonds as of September 15, 2026**

| Series | Amount Outstanding |
|---|---|
| Series 2016 Bonds[1] | $ 197,300,000 |
| Series 2017 Bonds[2] | 133,520,000 |
| Series 2021 Bonds | 178,145,000 |
| Total | $ 508,965,000 |

[1] A portion of the proceeds of the Series 2026 Bonds is expected to be applied to refund all of the outstanding Series 2016 Bonds on or about October __, 2026. See "PLAN OF FINANCE" herein.
[2] A portion of the proceeds of the Series 2027 Bonds is expected to be applied to refund all of the outstanding Series 2017 Bonds on or about February __, 2027. See "PLAN OF FINANCE" herein.

The proceeds of the sale of the Series 2026 Bonds will be used to provide funds to (i) finance the design, acquisition, construction, improvement, furnishing and equipping of the Series 2026 Project on land owned by The Regents and leased to the Borrower, and the demolition or construction of the Series 2026 Offsite Elements on land that is adjacent to the Series 2026 Project Site but will not be leased to the Borrower, and (ii) subject to market conditions, refund all of the outstanding aggregate principal amount of the Series 2016 Bonds, (iii) pay capitalized interest, (iv) make a deposit to the Working Capital and Marketing Fund (as defined herein), (v) make a deposit to the UCI Bonds Pooling Subaccount of the Liquidity Account (as defined herein), (vi) make a deposit to the Coverage Reserve Fund and (vii) pay the Issuance Costs of the Series 2026 Bonds.

The proceeds of the sale of the Series 2027 Bonds, together with other funds, will be used to provide funds to (i) refund all of the outstanding Series 2017 Bonds, (ii) make a deposit to the UCI Bonds Pooling Subaccount of the Liquidity Account, (iii) make a deposit to the Coverage Reserve Fund and (iv) pay the Issuance Costs of the Series 2027 Bonds.

See "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE" herein.

The site for the construction of the Series 2026 Project (the "Series 2026 Project Site") comprises approximately 3.19 acres on the campus of UCI and will be leased to the Borrower, pursuant to the 2026 Ground Lease. See "THE 2026 GROUND LEASE" herein.

The Issuer will lend the proceeds of the Series 2026/2027 Bonds to the Borrower pursuant to the Loan Agreement. The Borrower is obligated pursuant to the Loan Agreement to make or cause to be made monthly Basic Loan Payments (as defined herein) to the Issuer in amounts calculated to be sufficient to pay the principal of, premium, if any, and interest on the Bonds, as the same mature and become due. Under the Loan Agreement, the Borrower is obligated to pay all expenses of operating and maintaining the Project in good repair, to keep it properly insured, and to pay all taxes, assessments and other governmental charges levied or assessed against or with respect to the Project. Principal of, premium, if any, and interest on the Series 2026/2027 Bonds are payable solely from a pledge of Project Gross Revenues (as defined herein), including rental payments with respect to the Project, and property pledged under the Leasehold Deed of Trust (as defined herein). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

**Neither the Foundation (as defined herein) nor any limited liability company or corporation established by the Foundation (other than the Borrower) will have any obligation with respect to the Series 2026/2027 Bonds or under the Loan Agreement or any of the other Bond Documents (as defined in the Indenture). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Limited Obligations" herein. The Borrower's obligations with respect to the Series 2026/2027 Bonds are non-recourse. See "NO RECOURSE AGAINST BORROWER'S MEMBER AND OFFICERS" herein. The Borrower's ability to pay the principal of and interest on the Series 2026/2027 Bonds may be adversely affected by its contractual obligations with respect to the Bonds and the Project, including requirements for payment by the Borrower**

**pursuant to indemnity obligations under certain of the Bond Documents. See "INVESTMENT CONSIDERATIONS—Limited Security; Non-Recourse Obligations" herein.**

**THE SERIES 2026/2027 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2026/2027 BONDS, OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST THEREON, EXCEPT FROM THE FUNDS PROVIDED UNDER THE INDENTURE AND THE LOAN AGREEMENT AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING THE ISSUER) OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2026/2027 BONDS. THE ISSUANCE OF THE SERIES 2026/2027 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE ISSUER HAS NO TAXING POWER. MOREOVER, NEITHER THE ISSUER NOR THE PROGRAM PARTICIPANT (AS DEFINED IN THE INDENTURE) SHALL BE LIABLE FOR ANY OTHER COSTS, EXPENSES, LOSSES, DAMAGES, CLAIMS OR ACTIONS, IN CONNECTION WITH THE LOAN AGREEMENT, THE SERIES 2026/2027 BONDS OR THE INDENTURE, EXCEPT ONLY TO THE EXTENT AMOUNTS ARE RECEIVED FOR THE PAYMENT THEREOF FROM THE BORROWER UNDER THE LOAN AGREEMENT.**

The obligations of the Borrower under the Loan Agreement are secured by (i) a Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of December 1, 2004, as previously amended and supplemented (the "Original Leasehold Deed of Trust") and as further supplemented by a Seventh Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of October 1, 2026, with respect to the Series 2026 Bonds and an Eighth Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, to be dated as of February 1, 2027, with respect to the Series 2027 Bonds (the "Eighth Supplemental Leasehold Deed of Trust" and, together with the Original Leasehold Deed of Trust and the Seventh Supplemental Leasehold Deed of Trust, the "Leasehold Deed of Trust") with respect to the Series 2027 Bonds, pursuant to which the Borrower, (a) subject to Permitted Encumbrances (as defined therein), grants to the deed of trust trustee named therein for the benefit of the Bond Trustee a lien on the Borrower's interest in the Project Sites and all improvements thereon and other interests created by the Ground Leases and, (b) subject to such Permitted Encumbrances, assigns and pledges to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Property (as defined therein) and any improvements thereto, and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Improvements (as defined therein), and all tangible personal property of the Borrower located on the Project Sites and used primarily in connection with the construction, operation or maintenance of the Improvements and (ii) an Assignment of Construction Documents, dated as of October 1, 2026, relating to the Series 2026 Project (the "Series 2026 Assignment of Construction Documents"), pursuant to which the Borrower assigns to the Bond Trustee its rights under the Series 2021/2026 Management Agreement, the Development Agreement, the Construction Contract, the Architect's Agreement and other contracts relating to the design or construction of the Series 2026 Project and the demolition or construction of the Series 2026 Offsite Elements and any improvements thereto or expansions thereof.

The Issuer, pursuant to the Indenture, will assign and grant a first priority security interest in all of its rights under the Loan Agreement (except for Unassigned Rights), the Leasehold Deed of Trust, the Management Agreement (as defined in the Indenture) and the Assignment of Construction Documents (as defined in the Indenture) to the Bond Trustee which, on behalf of the Owners of the Bonds, will exercise all of the Issuer's rights thereunder (except for Unassigned Rights). In addition, pursuant to the Financing Trust Agreement, dated as of December 1, 2004, as amended and as previously supplemented (the "Original Financing Trust Agreement"), and as further supplemented by an Eighth Supplemental Financing Trust Agreement, dated as of October 1, 2026 (the "Eighth Supplemental Financing Trust Agreement") with respect to the Series 2026 Bonds and a Ninth Supplemental Financing Trust Agreement, to be dated as of February 1, 2027 (the "Ninth Supplemental Financing Trust Agreement" and, together with the Original Financing Trust Agreement and the Eighth Supplemental Financing Trust Agreement, the "Financing Trust Agreement") with respect to the Series 2027 Bonds, the Borrower will assign and grant a security interest to the Master Trustee, for the equal and pro rata benefit of all Outstanding bonds secured by the Financing Trust Agreement (at the time of issuance of the Series 2026 Bonds, consisting of the Series 2017 Bonds, the Series 2021 Bonds and the Series 2026 Bonds and, at the time of issuance of the Series 2027 Bonds, the Outstanding Bonds are anticipated to consist of the Series 2021 Bonds, the Series 2026 Bonds and the Series 2027 Bonds), in the UCI Bonds Pooling Subaccount, the UCI Bonds Redemption Subaccount and all amounts from time to time on deposit therein, and the UCI Bonds Liquidity Account Loan Payments. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

**Certain terms defined in the Indenture, the Financing Trust Agreement, the Loan Agreement and the Ground Leases are set forth in Appendix C attached to this Official Statement.** Capitalized terms used but not defined herein or in Appendix C attached hereto have the same meanings as used in the Indenture unless the context clearly indicates otherwise. This Official Statement and the appendices hereto contain brief descriptions of, among other matters, the Issuer, the Borrower, The Regents, the University, UCI, the Series 2026 Project, the Developer, the Manager, the Development Agreement, the Management Agreements, the Sub-Management Agreement, the Series 2026/2027 Bonds, the Loan Agreement, the Ground Leases, the Financing Trust Agreement and the Indenture. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Indenture, the Loan Agreement, the Leasehold Deed of Trust, the Assignment of Construction Documents, the Financing Trust Agreement, the Ground Leases, the Development Agreement or any of the other Bond Documents are qualified in their entirety by reference to such documents, and references herein to the Series 2026/2027 Bonds are qualified in their entirety to the forms thereof included in the Indenture.

## THE ISSUER

The California Statewide Communities Development Authority is a joint powers agency organized pursuant to a Joint Powers Agreement among a number of California counties, cities and special districts entered into pursuant to the provisions relating to the joint exercise of powers contained in Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code. The Issuer is authorized to participate in financings for the benefit of certain organizations described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

The Issuer has entered into, sold and delivered obligations, and will in the future enter into, sell and deliver obligations, other than the Bonds, which other obligations are and will be secured by instruments separate and apart from the Indenture and the Loan Agreement. The holders of such obligations of the Issuer have no claim on the security for the Bonds and the holders of the Bonds will have no claim on the security of such other obligations issued by the Issuer.

## THE SERIES 2026 PROJECT AND THE SERIES 2026 OFFSITE ELEMENTS

The Series 2026 Project, to be known as the "East Campus Apartments, Phase V Series 2026" will consist, approximately, of a 308-unit, 1,065-bed student housing facility and other related and appurtenant facilities in Irvine, California. The 2026 Project Site is on approximately 3.19 acres on the campus of UCI, which will be leased to the Borrower pursuant to the 2026 Ground Lease. See "THE 2026 GROUND LEASE" herein. (See APPENDIX A—"THE PROJECT.") Proceeds of the Series 2026 Bonds will also be used to demolish or construct certain improvements intended to benefit the Series 2026 Project (the "Series 2026 Offsite Elements"), including landscaping, hardscaping, utility lines, access roads, sidewalks and reconfiguration of certain parking, on land that is adjacent to the Series 2026 Project Site but that will not be leased to the Borrower. The Series 2026 Project is intended primarily for undergraduate students, with a preference for non-freshman students, and will also be available to graduate students.

The developer and construction manager for the Series 2026 Project and the Series 2026 Offsite Elements will be ACC SC Development (California) LP, an affiliate of ACC, pursuant to the Development Agreement. See "THE DEVELOPER" herein.

Full construction of the Series 2026 Project is scheduled to begin in October 2026, and UCI and the Developer anticipate the Series 2026 Project will be complete in time for occupancy for Fall Quarter 2028.

The initial manager of the Series 2026 Project will be ACC SC Management (California) LP, a Delaware limited partnership, successor by conversion to American Campus Management (California), LLC, a Delaware limited liability company, an affiliate of ACC, pursuant to the Series 2021/2026 Management Agreement; however, The Regents expect to enter into an amended and restated sub-management agreement with the Manager, whereby The Regents will assume certain responsibilities of the Manager under the Series 2021/2026 Management Agreement. See "THE MANAGER" herein.

Benchmark Contractors, Inc. (the "General Contractor"), will be the general contractor for the Series 2026 Project, pursuant to a guaranteed maximum price construction contract (the "Construction Contract") between the Borrower, executed by the Developer as agent for the Borrower, and the General Contractor. The Developer has also entered into, or will enter into, an architectural agreement (the "Architect's Agreement") with KTGY Group, Inc. (the "Architect"), relating to the Series 2026 Project, which is expected to be assigned to the Borrower. See "THE CONSTRUCTION CONTRACT AND THE ARCHITECT'S AGREEMENT" herein.

To secure its obligations to the Issuer under the Loan Agreement, the Borrower will assign to the Bond Trustee its rights under the Development Agreement, the Series 2021/2026 Management Agreement, the Construction Contract and the Architect's Agreement pursuant to the Series 2026 Assignment of Construction Documents. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Leasehold Deed of Trust and Assignment of Construction Documents" herein.

For additional information regarding the Series 2026 Project, see APPENDIX A—"THE PROJECT."

## THE BORROWER

### General

The Borrower, CHF–Irvine, L.L.C., is a limited liability company organized in July 2004 under the laws of the State of Alabama for the purpose of assisting UCI to provide housing for its students. The proceeds of the Series 2026/2027 Bonds will be loaned to the Borrower pursuant to the Loan Agreement. The Borrower is not expected to have any assets other than the Project and any additions thereto or expansions thereof. The Borrower's sole member is Collegiate Housing Foundation, a non-profit corporation organized and existing under the laws of the State of Alabama (the "Foundation"). The Foundation is an organization that is exempt from federal income tax pursuant to Section 501(c)(3) of the Code. The Foundation was organized in 1996 exclusively for charitable and educational purposes, including assisting its member colleges and universities in providing housing for their enrolled students and faculty and otherwise assisting its member colleges and universities in furtherance of their educational missions. The membership of the Foundation is comprised of those colleges and universities so assisted by the Foundation, including The Regents during the term of each of the Ground Leases. In 1997, the Foundation obtained a determination letter from the Internal Revenue Service recognizing the Foundation as an exempt organization under Section 501(c)(3) of the Code. The Borrower is a disregarded entity for federal income tax purposes. The Borrower's and the Foundation's main offices are located in Fairhope, Alabama. Since its founding, the Foundation and/or its affiliates have acquired and financed 73 student housing projects in 27 different states, with aggregate project costs exceeding $5.5 billion.

Important information regarding the financial condition of the Borrower is set forth in APPENDIX B—"FINANCIAL STATEMENTS OF THE BORROWER FOR THE YEARS ENDED JUNE 30, 2026 AND 2025" attached hereto, which prospective investors should read in its entirety.

**Neither the Foundation nor any limited liability company or corporation established by the Foundation (other than the Borrower) will have any obligation with respect to the Series 2026/2027 Bonds or under the Loan Agreement or any of the other Bond Documents. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Limited Obligations" herein. The Borrower's obligations with respect to the Series 2026/2027 Bonds are non-recourse. See "NO RECOURSE AGAINST BORROWER'S MEMBER AND OFFICERS" herein. The Borrower's ability to pay the principal of and interest on the Series 2026/2027 Bonds**

**may be adversely affected by its contractual obligations with respect to the Bonds and the Project, including requirements for payment by the Borrower pursuant to indemnity obligations under certain of the Bond Documents. See "INVESTMENT CONSIDERATIONS—Limited Security; Non-Recourse Obligations" herein.**

**Board of Directors**

The Foundation is governed by a Board of Directors elected by its members. The following individuals constituted the Board of Directors of the Foundation as of the date hereof:

| Name | Business Affiliation | Term Expires |
|---|---|---|
| William B. Givhan | President of the Foundation , Former General Counsel and Chief Operating Officer of the Foundation | * |
| Leeman H. Covey | Former President of the Foundation,<br>Former Vice President of Finance,<br>Spring Hill College, Mobile, Alabama | December 2027 |
| John B. Hicks | Senior Consultant, Academic Search, Inc.,<br>Former Executive Assistant to the Chancellor and Secretary of the Board of Trustees of the University of Alabama System | December 2029 |
| Thomas M. Daly, Jr. | Former Senior Vice President and Managing Director, Public Finance, Legg Mason Wood Walker, Inc. | December 2026 |
| Robert A. Shearer | Professor Emeritus, Mitchell College of Business, University of South Alabama,<br>Former Executive Assistant to the President of the University of South Alabama | December 2027 |

* Mr. Givhan's term continues for as long as he serves as President of the Foundation.

## NO RECOURSE AGAINST BORROWER'S MEMBER AND OFFICERS

No recourse under or upon any obligation, covenant, or agreement contained in the Loan Agreement, in any of the other Bond Documents, or in any other documents or certificates delivered in connection with the issuance of the Series 2026/2027 Bonds, or for any claim based thereon, or under any judgment obtained against the Borrower, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or under any other circumstances, shall be had against any incorporator, director, member, or officer, as such, past, present, or future of the Borrower or the Foundation, or any incorporator, director, member, or officer of any successor entity, as such, either directly or through the Borrower or any successor entity, or otherwise, for the payment for or to the Borrower or any receiver thereof, of any sum that may be due and unpaid by the Borrower under the Loan Agreement, any of the other Bond Documents, or any other documents delivered in connection with the issuance of the Series 2026/2027 Bonds.

## THE SERIES 2026/2027 BONDS

**General Description**

The Series 2026/2027 Bonds will be dated the applicable Date of Delivery and will mature on May 15 of the years and bear interest at the rates shown on the inside cover page of this Official Statement. Interest with respect to each series of Series 2026/2027 Bonds will be payable initially on May 15, 2027, and semi-annually thereafter on each November 15 and May 15 (collectively, the "Interest Payment Dates" and each, an "Interest Payment Date") until paid, in an amount equal to the interest accrued from the Interest Payment Date immediately preceding the date of registration and authentication of each Series 2026/2027 Bond, unless such Series 2026/2027 Bond is registered and authenticated as of an Interest Payment Date, in which case it will bear interest from said Interest Payment Date, or unless such Series 2026/2027 Bond is registered and authenticated prior to the first Regular Record Date (as defined below), in which event it shall bear interest from its date, or unless, as shown by the records of the Bond Trustee, interest on the Series 2026/2027 Bonds will be in default, in which event such Series 2026/2027 Bond will bear interest from the date to which interest will have been paid in full on such Series 2026/2027 Bond, or unless no interest will have been paid on the Series 2026/2027 Bonds, in which event such Series 2026/2027 Bond will bear interest from the dated date.

Interest on the Series 2026/2027 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2026/2027 Bonds will be issued as fully registered bonds without coupons in denominations of Five Thousand Dollars ($5,000) and any multiple thereof ("Authorized Denominations").

The Series 2026/2027 Bonds are being issued as Additional Bonds pursuant to the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Additional Bonds" herein.

**Payment of the Series 2026/2027 Bonds**

Principal of and premium, if any, on the Series 2026/2027 Bonds will be payable by check or draft to the registered owner of each Series 2026/2027 Bond upon presentation and surrender of such Series 2026/2027 Bonds when due, at the Office of the Bond Trustee. Payment of interest on any Series 2026/2027 Bond will be made to the person in whose name such Series 2026/2027 Bond is registered, at the close of business on the first day of the month (whether or not such day is a Business Day) immediately preceding each Interest Payment Date (the "Regular Record Date") for such payment and will be paid by check or draft mailed to such person at his, her, or its address as it appears on the Bond Register, irrespective of any transfer or exchange of such Series 2026/2027 Bond subsequent to a Regular Record Date and prior to the related Interest Payment Date by the person in whose name such Series 2026/2027 Bond is registered. At the option of an owner of not less than Five Hundred Thousand Dollars ($500,000) in aggregate principal amount outstanding of Series 2026/2027 Bonds, interest will be paid by wire transfer in immediately available funds in accordance with written wire transfer instructions filed with the Bond Trustee prior to the close of business on the Regular Record Date. Interest will continue to be paid in accordance with such instructions, until revoked, except for the final payment of interest upon maturity or redemption prior to maturity which will be paid only upon presentation of the Series 2026/2027 Bond to the Bond Trustee. Notwithstanding anything to the contrary contained in this paragraph, while DTC or its nominee is owner of the Series 2026/2027 Bonds, all payments of principal of, and premium, if any, and interest on the Series 2026/2027 Bonds will be paid to DTC or its nominee by wire transfer. See "Book-Entry Only System for the Series 2026/2027 Bonds" below and APPENDIX F—"BOOK-ENTRY ONLY SYSTEM."

**Book-Entry Only System for the Series 2026/2027 Bonds**

DTC will act as securities depository for the Series 2026/2027 Bonds. The ownership of one fully registered Series 2026 Bond or Series 2027 Bond, as applicable, for the maturity date set forth on the cover page hereof, in the aggregate principal amount of the Series 2026 Bonds or the Series 2027 Bonds maturing on that date, respectively, will be registered in the name of Cede & Co., as nominee of DTC, or any successor nominee. See APPENDIX F—"BOOK-ENTRY ONLY SYSTEM" for a description of DTC and the Book-Entry Only System.

**Redemption***

*Optional Redemption.*

<u>The Series 2026 Bonds</u>. The Series 2026 Bonds maturing on or after May 15, 20__ are subject to optional redemption prior to maturity, as set forth in a written request of an Authorized Borrower Representative filed with the Bond Trustee, on and after May 15, 20__, in whole or in part, on any date at a redemption price equal to the principal

* Preliminary, subject to change

amount of the Series 2026 Bonds called for redemption plus accrued interest thereon to the date of redemption, without premium.

Additionally, the Series 2026 Bonds are subject to optional redemption prior to their stated maturities as set forth in a written request of an Authorized Borrower Representative filed with the Bond Trustee, in whole or in part, and if in part among maturities to be designated by the Authorized Borrower Representative (and pro rata within a maturity), on any date at a redemption price equal to the greater of:

(i) 100% of the principal amount of the Series 2026 Bonds to be redeemed or

(ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity dates of such Series 2026 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2026 Bonds are to be redeemed, discounted to the date on which such Series 2026 Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus __ basis points,

plus, in each case, accrued interest on such Series 2026 Bonds to be redeemed to the redemption date.

"Treasury Rate" means, with respect to any redemption date for a particular Series 2026 Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (510) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such statistical release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity of the Series 2026 Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury Securities adjusted to a constant maturity of one year will be used.

The Series 2027 Bonds. The Series 2027 Bonds maturing on or before May 15, 20__ are not subject to optional redemption. The Series 2027 Bonds maturing on or after May 15, 20__ are subject to optional redemption prior to maturity, as set forth in a written request of an Authorized Borrower Representative filed with the Bond Trustee, on and after May 15, 20__, in whole or in part, on any date at a redemption price equal to the principal amount of the Series 2027 Bonds called for redemption plus accrued interest thereon to the date of redemption, without premium.

*Extraordinary Optional Redemption.* The Series 2026/2027 Bonds are also subject to redemption, as set forth in a written request of an Authorized Borrower Representative filed with the Bond Trustee, in full if:

(i) the Project shall have been destroyed or damaged and the Bond Trustee determines to redeem Bonds from funds made available in accordance with the applicable Ground Lease **or** the Borrower elects not to restore the Project and terminates the Ground Leases in accordance with the terms of the Ground Leases because the Project is damaged or destroyed by a risk covered or required to be covered by insurance and there are less than five years remaining in the terms of the Ground Leases, existing laws do not permit restoration of the Project to substantially the same amount of usable square feet that existed immediately prior to such destruction or damage or the destruction or damage is an uninsured risk and the reasonable cost to restore is greater than the amount in the Repair and Replacement Fund; **or**

(ii) title to, or the temporary use of, a substantial portion of the Project shall have been taken under the exercise of the power of eminent domain by any governmental authority or person, firm or corporation acting under governmental authority to such an extent that, in the opinion of a Consulting Architect expressed in a certificate filed with the Issuer and the Bond Trustee, (A) the Project cannot be reasonably restored or replaced within a period of 12 months to substantially the condition thereof immediately preceding such taking, **or** (B) the Borrower is thereby prevented from carrying on its normal operations therein for a period of 12 consecutive months, **or** (C) the cost of restoration or replacement would exceed the total amount of compensation for such taking together with any other funds held by the Borrower or the Bond Trustee available to pay such costs and the Borrower is not willing to advance the amount of such deficiency.

The Series 2026/2027 Bonds will also be subject to redemption, as set forth in a written request of an Authorized Borrower Representative filed with the Bond Trustee, in part if:

(i) the Project shall have been destroyed or damaged and the Bond Trustee determines to redeem Bonds from funds made available in accordance with the applicable Ground Lease **or** the Borrower elects not to restore the Project and terminates the Ground Leases in accordance with the terms of the Ground Leases because the Project is damaged or destroyed by a risk covered or required to be covered by insurance and there are less than five years remaining in the terms of the Ground Leases, existing laws do not permit restoration of the Project to substantially the same amount of usable square feet that existed immediately prior to such destruction or damage or the destruction or damage is an uninsured risk and the reasonable cost to restore is greater than the amount in the Repair and Replacement Fund; **or**

(ii) in the event of partial condemnation to the Project from the Net Proceeds received by the Borrower as a result of such taking to the extent such Net Proceeds are not used for the restoration of the Project or for the acquisition of substitute property suitable for the Borrower's operations at the Project as such operations were conducted prior to such taking if the Borrower furnishes to the Issuer and the Bond Trustee (i) a certificate of a Consulting Architect stating (a) that the property forming a part of the Project that was taken is not essential to the Borrower's use or occupancy of the Project at substantially the same revenue-producing level prior to such taking, **or** (b) that the Project has been restored to a condition substantially equivalent to its condition prior to such taking, **or** (c) that the Borrower has acquired or will acquire improvements that are substantially equivalent to the property forming a part of the Project that was taken, **or** (ii) a written report of a Financial Consultant that the Fixed Charges Coverage Ratio for each of the two Fiscal Years following the Fiscal Year following such taking will not be less than the lesser of (a) 1.20:1.0 and (b) the average Fixed Charges Coverage Ratio for the two most recent Fiscal Years prior to such taking for which audited financial statements are available.

If the Series 2026/2027 Bonds are called for extraordinary optional redemption, in whole or in part, upon the occurrence of any of the events described above in this subheading, the Series 2026/2027 Bonds may be redeemed on any date for which the requisite notice of redemption can be given within 180 days of such event at a redemption price of one hundred percent (100%) of the principal amount thereof plus interest accrued to the redemption date.

*Other Redemptions at Par.* The Series 2026/2027 Bonds are also subject to redemption prior to maturity in whole or in part on any date for which the requisite notice of redemption can be given, upon the deposit of moneys in the Redemption Fund (as defined in the Indenture) as required by the Loan Agreement, the Indenture or the Financing Trust Agreement as set forth below in a principal amount equal to such deposit and at a redemption price of one hundred percent (100%) of such principal amount thereof plus interest accrued thereon to the redemption date:

(i) any Net Proceeds of title insurance on the Project (or any other portion of the Project if the Borrower directs that such Net Proceeds be used to redeem the Series 2026/2027 Bonds) to the extent such Net Proceeds are not used, at the Borrower's written direction, to acquire or construct replacement or substitute property; **or**

(ii) any proceeds of a sale or disposition of any inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary Equipment (as defined in the Loan Agreement) (or any other portion of the Project if the Borrower directs that such proceeds be used to redeem the Series 2026/2027 Bonds) to the extent such Net Proceeds are not used, at the option of the Borrower, to substitute and install replacement equipment or related property having equal or greater value or utility (but not necessarily having the same function) in the operation of the Project for the purpose for which it is intended; **or**

(iii) any Net Proceeds of insurance received by the Borrower as a result of destruction of or damage to the Project (or any other portion of the Project if the Borrower directs that such Net Proceeds be used to redeem the Series 2026/2027 Bonds) to the extent such Net Proceeds are not used, at the option of the Borrower, to repair and restore the Project (including the substitution and addition of other property); **or**

(iv) any Net Proceeds received by the Borrower as a result of the taking of the Project or any part thereof (or any other portion of the Project if the Borrower directs that such Net Proceeds be used to redeem the Series 2026/2027 Bonds) under the exercise of the power of eminent domain to the extent such Net Proceeds are not used, as directed in writing by the Borrower, to restore the Project, acquire other suitable land and/or to acquire or construct improvements consisting of a building or buildings, facilities, furnishings, machinery, equipment, or other properties suitable for the Borrower's operations at the Project as conducted prior to such taking; **or**

(v) the release price for any unimproved portion of the Premises (as defined in the Indenture) (or any other unimproved portion of the Premises if the Borrower directs that such proceeds be used to redeem the Series 2026/2027 Bonds) released from the lien of the Leasehold Deed of Trust determined and paid to the Bond Trustee upon certain events causing damage, destruction or condemnation pursuant to the provisions of the Loan Agreement; **or**

(vi) with respect to the Series 2026 Bonds only, any unspent proceeds of the Series 2026 Bonds and investment earnings remaining in the 2026 Account of the Working Capital and Marketing Fund on the date that is one (1) year after the Series 2026 Completion Date and transferred to the 2026 Account of the Redemption Fund; **or**

(vii) any funds released from the UCI Bonds Redemption Subaccount within the Liquidity Account pursuant to the Financing Trust Agreement for deposit into the 2026 Account of the Redemption Fund in order to redeem the Series 2026 Bonds or the 2027 Account of the Redemption Fund in order to redeem the Series 2027 Bonds, as applicable (see "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS–Liquidity Account and Subaccounts" herein).

In all instances where the Bond Trustee is directed by the terms of the Indenture to redeem the Series 2026 Bonds from moneys deposited into the 2026 Account of the Redemption Fund or the Series 2027 Bonds from moneys deposited into the 2027 Account of the Redemption Fund, the Bond Trustee will redeem the maximum number of Series 2026 Bonds or the Series 2027 Bonds, respectively, that may be redeemed in accordance with the provisions of the preceding paragraphs, and any excess moneys will remain in the Redemption Fund.

*Mandatory Sinking Fund Redemption.*

The Series 2026 Bonds. The Series 2026 Bonds listed below are subject to mandatory sinking fund redemption prior to maturity, in part, at a redemption price of one hundred percent (100%) of the principal amount thereof plus interest accrued to the redemption date, in the following principal amounts and on the dates set forth below:

**Series 2026 Bonds Maturing on May 15, 20__**

| May 15 of the Year | Principal Amount |
|---|---|
| | $ |
| | * |

* Maturity

The Series 2027 Bonds listed below are subject to mandatory sinking fund redemption prior to maturity, in part, at a redemption price of one hundred percent (100%) of the principal amount thereof plus interest accrued to the redemption date, in the following principal amounts and on the dates set forth below:

**Series 2027 Bonds Maturing on May 15, 20__**

| May 15 of the Year | Principal Amount |
| --- | --- |
| | $ |
| | * |

* Maturity

On or before the forty-fifth (45th) day immediately preceding any May 15 on which Series 2026/2027 Bonds are to be retired pursuant to the schedules above, the Issuer or the Borrower may (i) deliver to the Bond Trustee for cancellation Series 2026/2027 Bonds or portions thereof, in any aggregate principal amount desired or (ii) receive a credit with respect to the mandatory sinking fund redemption obligation for any Series 2026/2027 Bonds that before said date have been purchased or redeemed (other than through mandatory sinking fund redemption) and canceled by the Bond Trustee and not theretofore applied as a credit against any mandatory sinking fund redemption obligation. Each such Series 2026/2027 Bond or portion thereof so delivered or previously purchased or redeemed and cancelled by the Bond Trustee will be credited by the Bond Trustee at one hundred percent (100%) of the principal amount thereof against the mandatory sinking fund redemption obligation on such mandatory sinking fund redemption date, and any excess over such amount will be credited against future mandatory sinking fund redemption obligations in chronological order, and the principal amount of such Series 2026/2027 Bonds will be accordingly reduced.

*Partial Redemption.* The Series 2026/2027 Bonds will be redeemed only in Authorized Denominations. If less than all of the Series 2026 Bonds of any maturity or the Series 2027 Bonds of any maturity are called for redemption, the Bond Trustee will select, subject to the final sentence of this paragraph, in such manner as the Bond Trustee in its sole discretion will determine, the Series 2026 Bonds of such maturity or the Series 2027 Bonds of such maturity, as applicable, to be redeemed. If a book-entry system of evidence of transfer of ownership of bonds is in effect with a Securities Depository as provided in the Indenture and less than all of the Series 2026 Bonds of any maturity or the Series 2027 Bonds of any maturity are to be redeemed, then such Securities Depository will determine by lot the amount of the interest of each direct participant in such Series of Bonds to be redeemed. See "Book-Entry Only System for the Series 2026 Bonds" above. Notwithstanding the foregoing, if less than all of the Bonds are called for redemption (other than through mandatory sinking fund redemption), the Borrower will have the right to designate the Series and the maturity of such Bonds to be called for redemption and to designate the Sinking Fund Requirement to which such redemption will be credited.

*Notice of Redemption; Cessation of Interest.* In the event any of the Series 2026/2027 Bonds are called for redemption, notice thereof identifying the Series 2026/2027 Bonds or portions thereof to be redeemed will be given by the Bond Trustee by mailing a copy of the redemption notice by first class mail (postage prepaid) not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of record of each Series 2026/2027 Bond to be redeemed at the address shown on the Bond Register on the close of business on the fifth day preceding the date of the mailing; provided, however, that failure to give such notice by mailing to any owner of Series 2026/2027 Bonds or any defect therein will not affect the validity of any proceedings for the redemption of any other Series 2026/2027 Bonds for which notice will have been properly given. Each notice will specify the CUSIP numbers of the Series 2026/2027 Bonds being called, the numbers of the Series 2026/2027 Bonds being called, if less than all of the Series 2026/2027 Bonds are being called, the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable. Such notice will further state that payment of the applicable redemption price plus accrued interest to the date fixed for redemption will be made upon presentation and surrender of the Series 2026/2027 Bonds to be redeemed and that on the redemption date, the redemption price will become due and payable upon each Series 2026/2027 Bond to be redeemed and that interest thereon will cease to accrue on and after such date, provided collected funds for the redemption of the Series 2026/2027 Bonds to be redeemed are on deposit with the Bond Trustee at the place of, and the time for, payment. Any notice mailed as provided in the Indenture will be conclusively presumed to have been duly given, whether or not the owner of such Series 2026/2027 Bonds actually receives such notice. Upon the written request of the Borrower, any notice of optional redemption of Series 2026/2027 Bonds to be redeemed pursuant to the provisions hereinabove described under the subheading "Optional Redemption" may contain a statement to the effect that the redemption of such Series 2026/2027 Bonds is conditioned upon the receipt by the Bond Trustee of amounts equal to the redemption price of the Series 2026/2027 Bonds to be redeemed on or before the redemption date, and, if a notice of such an optional redemption contains such statement, such optional redemption will be so conditioned.

Notice of redemption having been given as described above, the Series 2026/2027 Bonds or portions thereof called for redemption will become and be due and payable on the date fixed for redemption at the redemption price provided for in the Indenture, plus accrued interest to such date. On such date, if money or Defeasance Obligations (as defined in the Indenture), or a combination of both, sufficient to pay the redemption price of the Series 2026/2027 Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, are held by the Trustee in trust for the owners thereof, interest on the Series 2026/2027 Bonds or portions thereof called for redemption will cease to accrue.

**Registration Provisions; Exchange; Replacement**

The Bond Trustee, for and on behalf of the Issuer, will keep the Bond Register in which will be recorded any and all transfers of ownership of Series 2026/2027 Bonds. No Series 2026/2027 Bonds will be registered to bearer. Any Series 2026/2027 Bond may be transferred upon the Bond Register upon surrender thereof at the Office of the Bond Trustee by the owner in person or by his, her or its attorney-in-fact or legal representative duly authorized in writing together with a written instrument of transfer in form and with guarantee of signature satisfactory to the Bond Trustee duly executed by the owner or his or her attorney-in-fact or legal representative duly authorized in writing and upon payment by such owner of a sum sufficient to cover any governmental tax, fee or charge required to be paid as provided in the Indenture. Upon any such registration of transfer, the Issuer will cause to be executed and the Bond Trustee will authenticate and deliver in the name of the transferee a new fully registered Bond or Bonds of like tenor, in Authorized Denominations, and of the same maturity or maturities and interest rate or rates and in the same aggregate principal amount, and the Bond Trustee will enter the transfer of ownership in the Bond Register. No transfer of any Series 2026/2027 Bond will be effective until entered on the Bond Register.

Any Series 2026/2027 Bonds, upon surrender thereof at the Office of the Bond Trustee with a written instrument of transfer in form and with guarantee of signature satisfactory to the Bond Trustee, duly executed by the owner or his or her attorney-in-fact or legal representative duly authorized in writing, may be exchanged, at the option of the owner thereof; and upon payment by such owner of a sum sufficient to cover any governmental tax, fee or charge required to be paid as provided in the Indenture, when not prohibited by law, for an equal aggregate principal amount of Series 2026/2027 Bonds of like tenor and of the same interest rate and maturity or maturities and in any other Authorized Denominations and registered in the name of the same owner. When the Series 2026/2027 Bonds are presented for exchange in accordance with the provisions set forth in this paragraph, the Issuer will cause to be executed and the Bond Trustee will authenticate and deliver Series 2026/2027 Bonds that the owner making the exchange is entitled to receive, bearing numbers not then Outstanding, and the Bond Trustee, as bond registrar, will enter the exchange in the Bond Register.

Except as provided in the Indenture with respect to exchanges for certain temporary Series 2026/2027 Bonds, the cost of printing, lithographing and engraving of all Series 2026/2027 Bonds will be deemed to be an Ordinary Expense of the Bond Trustee and there will be no charge to any owner for the registration, exchange or transfer of Series 2026/2027 Bonds, although in each case the Bond Trustee may require the payment by the owner requesting exchange or transfer of any tax, fee or other governmental charge required to be paid with respect thereto and may require that such amount be paid before any such new Bond will be delivered.

The Issuer and the Bond Trustee may deem and treat the owner of any Series 2026/2027 Bond as the absolute owner of such Series 2026/2027 Bond for the purpose of receiving any payment on such Series 2026/2027 Bond and for all other purposes of the Indenture and the Loan Agreement, whether such Series 2026/2027 Bond shall be overdue or not, and neither the Issuer nor the Bond Trustee will be affected by any notice to the contrary. Payment of or on account of the principal of and interest and premium, if any, on any Series 2026/2027 Bond will be made to or upon the written order of the owner thereof or his or her attorney-in-fact or legal representative duly authorized in writing. All such payments will be valid and effectual to satisfy and discharge the liability upon such Series 2026/2027 Bond to the extent of the sum or sums so paid.

New Series 2026/2027 Bonds delivered upon any transfer or exchange will be valid limited obligations of the Issuer, evidencing the same obligation as the Series 2026/2027 Bonds surrendered, will be secured by the Indenture and will be entitled to all of the security and benefits thereof to the same extent as the Series 2026/2027 Bonds (or portions thereof) surrendered. The Bond Trustee will not be required to transfer or exchange any Series 2026/2027 Bonds (a) after the notice calling such Series 2026/2027 Bond (or a portion thereof) for redemption will have been given as provided in the Indenture, or (b) during the period beginning at the opening of business on the first (1st) day of the month (whether or not a Business Day) immediately preceding either an Interest Payment Date or any date of selection of Series 2026/2027 Bonds to be redeemed and ending at the close of business on the Interest Payment Date or day on which the applicable notice of redemption is given.

## SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

### Limited Obligations

**THE SERIES 2026/2027 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2026/2027 BONDS, OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST THEREON, EXCEPT FROM THE FUNDS PROVIDED UNDER THE INDENTURE AND THE LOAN AGREEMENT AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING THE ISSUER) OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2026/2027 BONDS. THE ISSUANCE OF THE SERIES 2026/2027 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE ISSUER HAS NO TAXING POWER. MOREOVER, NEITHER THE ISSUER NOR THE PROGRAM PARTICIPANT (AS DEFINED IN THE INDENTURE) SHALL BE LIABLE FOR ANY OTHER COSTS, EXPENSES, LOSSES, DAMAGES, CLAIMS OR ACTIONS, IN CONNECTION WITH THE LOAN AGREEMENT, THE SERIES 2026/2027 BONDS OR THE INDENTURE, EXCEPT ONLY TO THE EXTENT AMOUNTS ARE RECEIVED FOR THE PAYMENT THEREOF FROM THE BORROWER UNDER THE LOAN AGREEMENT.**

**Neither the Foundation nor any limited liability company or corporation established by the Foundation (other than the Borrower) will have any obligation with respect to the Series 2026/2027 Bonds or under the Loan Agreement or any of the other Bond Documents.**

**See "INVESTMENT CONSIDERATIONS—Limited Security; Non-Recourse Obligations" herein.**

### Consent to Amendment to Indenture

As a result of their purchase of the Series 2026 Bonds, purchasers thereof (but not the Underwriters) will be deemed to have consented to an amendment to the Indenture that amends the Additional Bonds requirements under the Indenture, which amendment is described under "Additional Bonds" below. Upon issuance of the Series 2026 Bonds, it is expected (subject to market conditions) that the purchasers of the Series 2021 Bonds (who also were deemed to have consented to the amendment) and the Series 2026 Bonds will represent at least two-thirds (2/3) of the aggregate principal amount of the Bonds then Outstanding and therefore such amendment will be effective from and after issuance of the Series 2026 Bonds. Thereafter, the purchase of Additional Bonds issued pursuant to the Indenture (including the Series 2027 Bonds) shall constitute the consent of such purchasers, as Bondholders, to such amendment. The Underwriters have not consented to, and shall not be deemed to have consented to, such amendment to the Indenture.

**Leasehold Deed of Trust and Assignment of Construction Documents**

As security for the Borrower's obligations under the Loan Agreement in connection with the financing of the Series 2004 Project, the Borrower executed and delivered (i) the Original Leasehold Deed of Trust pursuant to which the Borrower, subject to Permitted Encumbrances, granted to the deed of trust trustee named therein for the benefit of the Bond Trustee a first priority lien on the Borrower's leasehold interest in the 2004 Project Site and its interest in all improvements thereon and other interests created by the 2004 Ground Lease and, subject to Permitted Encumbrances, assigned and pledged to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Series 2004 Project and any improvements thereto, and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Series 2004 Project and all tangible personal property of the Borrower located on the 2004 Project Site and used primarily in connection with the construction, operation or maintenance of the Series 2004 Project and (ii) an Assignment of Construction Documents, dated as of December 1, 2004, between the Borrower and the Bond Trustee, pursuant to which the Borrower assigned to the Bond Trustee its rights under certain documents, including all contracts and agreements between the Borrower and any person or firm rendering services or supplying material in connection with the construction of the Series 2004 Project and any improvements thereto or expansions thereof, including the architect's contract and construction contracts.

As security for the Borrower's obligations under the Loan Agreement in connection with the financing of the Series 2008 Project, the Borrower executed and delivered (i) a Second Supplemental Leasehold Deed of Trust, supplementing and amending the Original Leasehold Deed of Trust, pursuant to which the Borrower, subject to Permitted Encumbrances, granted to the deed of trust trustee named therein for the benefit of the Bond Trustee a first priority lien on the Borrower's leasehold interest in the Series 2008 Project Site and its interest in all improvements thereon and other interests created by the 2008 Ground Lease and, subject to Permitted Encumbrances, assigned and pledged to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Series 2008 Project and any improvements thereto (excluding rents or income from 361 parking spaces that are included in the Series 2008 Project's parking facilities, which consist of certain surface parking spaces and available parking spaces in a seven story parking structure), and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Series 2008 Project and all tangible personal property of the Borrower located on the Series 2008 Project Site and used primarily in connection with the construction, operation or maintenance of the Series 2008 Project and (ii) an Assignment of Construction Documents, dated as of July 1, 2008, between the Borrower and the Bond Trustee, pursuant to which the Borrower assigned to the Bond Trustee its rights under certain documents, including all contracts and agreements between the Borrower and any person or firm rendering services or supplying material in connection with the construction of the Series 2008 Project and any improvements thereto or expansions thereof, including the architect's contract and construction contracts.

As security for the Borrower's obligations under the Loan Agreement in connection with the financing of the Series 2011 Project, the Borrower executed and delivered a Third Supplemental Leasehold Deed of Trust, supplementing and amending the Original Leasehold Deed of Trust, pursuant to which the Borrower, subject to Permitted Encumbrances, granted to the deed of trust trustee named therein for the benefit of the Bond Trustee a first priority lien on the Borrower's leasehold interest in the Series 2011 Project Site and its interest in all improvements thereon and other interests created by the 2011 Ground Lease and, subject to Permitted Encumbrances, assigned and pledged to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Series 2011 Project and any improvements thereto, and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Series 2011 Project and all tangible personal property of the Borrower located on the Series 2011 Project Site and used primarily in connection with the construction, operation or maintenance of the Series 2011 Project.

As security for the Borrower's obligations under the Loan Agreement in connection with the financing of the Series 2017 Project, the Borrower executed and delivered: (i) a Fifth Supplemental Leasehold Deed of Trust, supplementing and amending the Original Leasehold Deed of Trust, pursuant to which the Borrower, subject to Permitted Encumbrances, granted to the deed of trust trustee named therein for the benefit of the Bond Trustee a first priority lien on the Borrower's leasehold interest in the Series 2017 Project Site and its interest in all improvements thereon and other interests created by the 2017 Ground Lease and, subject to Permitted Encumbrances, assigned and pledged to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Series 2017 Project and any improvements thereto, and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Series 2017 Project and all tangible personal property of the Borrower located on the Series 2017 Project Site and used primarily in connection with the construction, operation or maintenance of the Series 2017 Project and (ii) an Assignment of Construction Documents, dated as of August 1, 2017, between the Borrower and the Bond Trustee, pursuant to which the Borrower assigned to the Bond Trustee its rights under certain documents, including all contracts and agreements between the Borrower and any person or firm rendering services or supplying material in connection with the construction of the Series 2017 Project and any improvements thereto or expansions thereof, including the architect's contract and construction contracts.

As security for the Borrower's obligations under the Loan Agreement in connection with the financing of the Series 2021 Project, the Borrower executed and delivered: (i) a Sixth Supplemental Leasehold Deed of Trust, supplementing and amending the Original Leasehold Deed of Trust, pursuant to which the Borrower, subject to Permitted Encumbrances, granted to the deed of trust trustee named therein for the benefit of the Bond Trustee a first priority lien on the Borrower's leasehold interest in the Series 2021 Project Site and its interest in all improvements thereon and other interests created by the 2021 Ground Lease and, subject to Permitted Encumbrances, assigned and pledged to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Series 2021 Project and any improvements thereto, and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Series 2021 Project and all tangible personal property of the Borrower located on the Series 2021 Project Site and used primarily in connection with the construction, operation or maintenance of the Series 2021 Project and (ii) the Series 2021 Assignment of Construction Documents pursuant to which the Borrower assigned to the Bond Trustee its rights under the Management Agreements, the Development Agreement, the Construction Contract, the Architect's Agreement and other contracts relating to the design or construction of the Series 2021 Project and the demolition or construction of the Series 2021 Offsite Elements and any improvements thereto or expansions thereof.

As security for the Borrower's obligations under the Loan Agreement in connection with the financing of the Series 2026 Project, the Borrower will execute and deliver: (i) a Seventh Supplemental Leasehold Deed of Trust, supplementing and amending the Original Leasehold Deed of Trust, pursuant to which the Borrower, subject to Permitted Encumbrances, will grant to the deed of trust trustee named therein for the benefit of the Bond Trustee a first priority lien on the Borrower's leasehold interest in the Series 2026 Project Site and its interest in all improvements thereon and other interests created by the 2026 Ground Lease and, subject to Permitted Encumbrances, assign and pledge to the deed of trust trustee named therein for the benefit of the Bond Trustee the Borrower's interest in the rents, revenues, issues, profits, products, royalties, income and other benefits of and from the Series 2026 Project and any improvements thereto, and all fixtures, attachments, appliances, equipment, machines and other articles incorporated into the Series 2026 Project and all tangible personal property of the Borrower located on the Series 2026 Project Site and used primarily in connection with the construction, operation or maintenance of the Series 2026 Project and (ii) the Series 2026 Assignment of Construction Documents pursuant to which the Borrower will assign to the Bond Trustee its rights under the Series 2021/2026 Management Agreement, the Development Agreement, the Construction Contract, the Architect's Agreement and other contracts relating to the design or construction of the Series 2026 Project and the demolition or construction of the Series 2026 Offsite Elements and any improvements thereto or expansions thereof.

The lien created by the Leasehold Deed of Trust (as amended and supplemented) is subject to the rights of the Ground Lessor under the respective Ground Leases as the fee simple owner of the Project Sites. The Leasehold Deed of Trust does not constitute a lien on the Ground Lessor's fee simple interest in the Project Sites or create any lien with respect to the Offsite Elements (as defined in the Indenture and which term includes the Series 2026 Offsite Elements).

See "INVESTMENT CONSIDERATIONS—Limits on Remedies Under the Deed of Trust (Anti-Deficiency Laws)" herein.

**Project Gross Revenues; Revenue Fund**

As security for payment of the Bonds, including the Series 2026/2027 Bonds, the Issuer has executed and delivered the Indenture, under the terms of which all of the right, title, interest, and remedies of the Issuer in the Loan Agreement (except the Unassigned Rights), the Financing Trust Agreement, the Leasehold Deed of Trust and the Assignment of Construction Documents (as defined in the Indenture), together with all revenues and amounts to be received and all property to be held by the Issuer under the Indenture will be assigned and will be the subject of a grant of a first priority security interest to the Bond Trustee and will be pledged as security for, among other things, the payment of the Series 2026/2027 Bonds. Pursuant to the Loan Agreement, the Borrower consents to such assignment and grant of a first priority security interest and agrees that its obligations to make all payments under the Loan Agreement will be absolute and will not be subject to any defense, except payment, or to any right of setoff, counterclaim, or recoupment arising out of any breach by the Issuer of any obligation to the Borrower, whether thereunder or otherwise, or arising out of any indebtedness or liability relating to the Project at any time owing to the Borrower by the Issuer. The Borrower further agrees that all Basic Loan Payments required to be made under the Loan Agreement, which are payable solely from Project Gross Revenues pursuant to the Loan Agreement, will be paid directly to the Bond Trustee for the account of the Issuer. The Bond Trustee will have all rights and remedies accorded to the Issuer under the Loan Agreement (except for Unassigned Rights), and any reference therein to the Issuer will be deemed, with the necessary changes in detail, to include the Bond Trustee, and the Bond Trustee and the Bondholders are deemed to be and are third-party beneficiaries of the representations, covenants, and agreements of the Borrower contained in the Loan Agreement.

The Indenture defines "Project Gross Revenues" as (i) the gross receipts and operating and non-operating revenues of the Borrower, and interest earnings thereon, derived from the ground leasing or operation of the Project, all as determined in accordance with GAAP, and interest earned on all Funds, but excluding, in any event, (ii) the sum of (a) earnings on amounts that are irrevocably deposited in escrow to achieve defeasance or similar arrangement for the payment of the principal of or interest on Indebtedness, and (b) security deposits received from student residents of the Project and held by the Borrower until such time, if any, as the Borrower shall be permitted to apply such deposits to the payment of rent or to the repair and maintenance of the Project in accordance with the terms of a lease or residency agreement.

The Indenture requires the Issuer to create and order established by the Bond Trustee a trust fund designated as the "Revenue Fund" into which the Borrower is required by the Loan Agreement to deposit or cause to be deposited the Project Gross Revenues on a weekly basis including any amounts required to be deposited therein pursuant to the Development Agreement; provided, however, that if an Event of Default shall have occurred and be continuing, the Borrower has further agreed to deliver all Project Gross Revenues daily. The Indenture provides that the amounts so transferred and deposited into the Revenue Fund maintained by the Bond Trustee will be disbursed by the Bond Trustee each month or at such other times described in the Indenture in the order set forth in the Indenture, including, among other transfers, monthly transfers to the Bond Fund to pay a portion of the principal and interest due on the Outstanding Series 2026/2027 Bonds and any other Outstanding Bonds on the immediately succeeding Interest Payment Date. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE INDENTURE—Events of Default" and "—Funds and Accounts—*Revenue Fund*."

**Pledge and Assignment of Trust Estate**

Pursuant to the Indenture, the Issuer assigns and grants a security interest to the Bond Trustee, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Issuer of the covenants expressed in the Indenture and in the Bonds, in and to the following (the "Trust Estate") which consists of:

(i) all the right, title and interest of the Issuer in and to (a) the Loan Agreement (except for Unassigned Rights) and any loan, financing or similar agreement between the Issuer and the Borrower relating to Additional Bonds, (b) the Leasehold Deed of Trust, (c) the Management Agreement (as defined in the Indenture) and (d) the Assignment of Construction Documents (as defined in the Indenture), and all extensions and renewals of the terms thereof, if any, and all amounts encumbered thereby, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and make receipt for payments and other sums of money payable, receivable or to be held thereunder, to bring any actions and proceedings thereunder or for the enforcement thereof, and to do any and all other things that the Issuer is or may become entitled to do under the foregoing;

(ii) all the right, title and interest of the Issuer in and to all cash proceeds and receipts arising out of or in connection with the sale of the Bonds (but not including the escrow fund established by any escrow agreement for any refunded Bonds) and all moneys held by the Bond Trustee in the funds created under the Indenture, other than the Rebate Fund, including the Revenue Fund, the Bond Fund, the Redemption Fund, the Issuance Cost Fund, the Construction Fund, the Working Capital and Marketing Fund, the Coverage Reserve Fund, the Repair and Replacement Fund, the Insurance Fund, the Condemnation Fund, the Operations Contingency Fund, the Distributed Management Fee Fund and the Surplus Fund created thereunder, or held by the Bond Trustee as special trust funds derived from insurance proceeds, condemnation awards, payments on contractors' performance or payment bonds or other surety bonds or any other source;

(iii) all the right, title and interest of the Issuer in and to all moneys and securities and interest earnings thereon from time to time delivered to and held by the Bond Trustee under the terms of the Indenture, and all other rights of every name and nature and any and all other property from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security thereunder by the Issuer or by anyone on its behalf or with its written consent to the Bond Trustee;

(iv) all other property of every name and nature from time to time hereafter by delivery or by writing mortgaged, pledged, delivered or hypothecated as and for additional security under the Indenture by the Issuer or by anyone on its behalf or with its written consent in favor of the Bond Trustee; and

(v) all right, title and interest in the Financing Trust Agreement and all extensions and renewals of the terms thereof, if any, and all amounts encumbered thereby, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and make receipt for payments and other sums of money payable, receivable or to be held thereunder, to bring any actions and proceedings thereunder or for the enforcement thereof, and to do any and all other things that the Issuer is or may become entitled to do under the foregoing.

**Under the Indenture, at all times while the Bonds are outstanding, the rights of the Owners of the Bonds to the Trust Estate, to the extent provided for, are subject to a first and prior lien to secure the payment of all fees and expenses of the Bond Trustee. The Bond Trustee may apply moneys received by it pursuant to any action taken by it in accordance with the Indenture in connection with any Event of Default to the payment of the costs and expenses of the proceedings resulting on the collection of such moneys and to the payment of the expenses, liabilities and advances incurred or made by the Bond Trustee prior to its applying such moneys to the payment of principal of, premium, if any, and interest on, the Bonds.**

**Pledge and Assignment of Financing Trust Estate**

Pursuant to the Financing Trust Agreement, the Borrower assigns and grants a security interest to the Master Trustee, in order to secure the payment of any and all Outstanding bonds secured under the Financing Trust Agreement (collectively, the "FTA-Secured Bonds"), according to the tenor and effect thereof and the interest thereon, and to secure the performance and observance by the Borrower and other borrowers from time to time in the future of all the covenants and conditions contained in the Financing Trust Agreement, all right, title and interest of such borrowers in, and to each of the funds and accounts established and maintained thereunder, but only as and to the extent set forth in the Financing Trust Agreement and subject to the terms and conditions thereof (the "Financing Trust Estate"). At the time of issuance of the Series 2026 Bonds, the FTA-Secured Bonds will include the Series 2017 Bonds, the Series 2021 Bonds and the Series 2026 Bonds and, upon issuance thereof, the Series 2027 Bonds will also be FTA-Secured Bonds (at which time, the Series 2017 Bonds will no longer be outstanding and therefore will no longer constitute

FTA-Secured Bonds). Bonds in addition to these current FTA-Secured Bonds may be secured by the Financing Trust Agreement if such bonds satisfy certain requirements under the Financing Trust Agreement, including the requirement that such bonds receive not less than an investment grade rating from the applicable Rating Agency (as defined in the Financing Trust Agreement). See "Liquidity Account and Subaccounts" below. See also "INVESTMENT CONSIDERATIONS—Liquidity Account Available to Secure Other FTA-Secured Bonds; Financing Trust Agreement Subject to Amendment."

**The pledge and assignment effected by each borrower of the proceeds of FTA-Secured Bonds through the Financing Trust Agreement will be valid and binding from the date of execution and delivery of the related Supplemental Financing Trust Agreement, the moneys so pledged and assigned and hereafter received by the Master Trustee will be subject to the lien of such pledge and assignment and such lien will be a continuing, irrevocable and exclusive first lien and will be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Master Trustee irrespective of whether such parties have notice thereof. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS" for a summary of the Financing Trust Agreement.**

**Construction Fund**

The Indenture creates a Construction Fund and provides that the Bond Trustee will deposit into the Construction Fund as and when received any moneys paid to it under the Loan Agreement or the Indenture for credit or transfer to the Construction Fund. Moneys in the Construction Fund will be expended for the Costs of the Project in accordance with the provisions of the Loan Agreement and disbursed upon receipt of a requisition for payment.

All proceeds of the Series 2026 Bonds and investment earnings thereon remaining in the Construction Fund on the Series 2026 Completion Date, less amounts retained or set aside to meet costs not then due and payable or that are being contested, will be applied or transferred to one or more of the following upon written direction of the Borrower: (i) for other capital expenditures related to the Series 2026 Project approved by the Ground Lessor with the consent of the Borrower; (ii) to the UCI Bonds Pooling Subaccount; (iii) to the 2026 Account of the Bond Fund; and (iv) to the 2026 Account of the Redemption Fund.

See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE INDENTURE—Funds and Accounts—Construction Fund."

**Coverage Reserve Fund**

The Indenture creates a Coverage Reserve Fund and provides that the Bond Trustee will deposit into the Coverage Reserve Fund certain funds as will be specified by the Borrower in accordance with the Indenture. Amounts in the Coverage Reserve Fund will be used to pay interest on, premium (if any) for and principal of the Bonds to the extent there are insufficient funds on deposit in the Bond Fund, the Surplus Fund, the Operations Contingency Fund and the Repair and Replacement Fund therefor, on the date such payment is due. In addition, amounts in the Coverage Reserve Fund may be included in calculating the Fixed Charges Coverage Ratio when determining compliance with certain covenants under the Indenture and the Loan Agreement. Subject to the terms of the Indenture, certain amounts on deposit in the Surplus Fund may be deposited into the Coverage Reserve Fund to restore the Coverage Reserve Fund to the Coverage Reserve Required Balance. The Coverage Reserve Required Balance equals 5% of the Maximum Annual Debt Service for each Series of Bonds. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE INDENTURE—Funds and Accounts."

**Repair and Replacement Fund**

The Indenture also creates a Repair and Replacement Fund, which is a trust fund into which the Borrower is required to make deposits from Project Gross Revenues on a monthly basis as and to the extent set forth in the Indenture and the Loan Agreement. The Minimum Repair and Replacement Fund Balance means the sum of (i) with respect to the Series 2004 Project, $1,000,000, (ii) with respect to the Series 2008 Project, $1,500,000, (iii) with respect to the Series 2011 Project, $1,000,000, (iv) with respect to the Series 2017 Project, from July 1, 2025 to June 30, 2030, $1,500,000 and after June 30, 2030, $2,000,000, (v) with respect to the Series 2021 Project, until June 30, 2028,

$1,000,000, and from July 1, 2028 to June 30, 2033, $1,500,000 and after June 30, 2033, $2,000,000 and (vi) with respect to the Series 2026 Project, until June 30, 2033, $1,000,000, and from July 1, 2033 to June 30, 2038, $1,500,000, and after June 30, 2038, $2,000,000. In addition, subject to the terms of the Indenture, certain amounts on deposit in the Surplus Fund may be deposited into the Repair and Replacement Fund to establish and maintain a balance in the Repair and Replacement Fund in an amount not greater than the Minimum Repair and Replacement Fund Balance. The Indenture provides that moneys in the Repair and Replacement Fund will be disbursed by the Bond Trustee to pay (i) the budgeted maintenance and repair costs related to the Project or (ii) the principal of, premium, if any, and interest on the Bonds to the extent there are insufficient funds on deposit in the Bond Fund, the Surplus Fund and the Operations Contingency Fund therefor, on the date such payment is due. In the event that funds in the Construction Fund are insufficient for the payment of Costs of the Project in full, the Bond Trustee may, upon the written request of an Authorized Borrower Representative approved by the Ground Lessor (as defined in the Indenture), transfer the amount of such deficiency from the Operations Contingency Fund, the Repair and Replacement Fund and/or the Surplus Fund. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE INDENTURE—Funds and Accounts—Repair and Replacement Fund" and "—Surplus Fund."

**Working Capital and Marketing Fund**

The Indenture also creates a Working Capital and Marketing Fund. The Indenture permits the Working Capital and Marketing Fund to be used to provide working capital for the Borrower in respect of the Project and to pay certain fees and costs relating to the Project during the first year of operation, in accordance with the Loan Agreement. No amounts were deposited in such fund in connection with the Series 2011 Project and all funds deposited in such fund with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project or the Series 2021 Project have been used or transferred. As a result, no amount remains on deposit in such fund. Upon issuance of the Series 2026 Bonds, proceeds in the amount of $200,000 will be deposited in the Working Capital and Marketing Fund to be used for working capital and to pay certain fees and costs relating to the Series 2026 Project. All proceeds of the Series 2026 Bonds and investment earnings thereon remaining in the 2026 Account of the Working Capital and Marketing Fund on the date that is one year after the Series 2026 Completion Date will be transferred (i) to the 2026 Account of the Bond Fund and used for payment of principal of the Bonds, provided the Borrower delivers to the Bond Trustee a Favorable Opinion of Bond Counsel or (ii) if the Borrower fails to deliver such an opinion, to the 2026 Account of the Redemption Fund and used to redeem Series 2026 Bonds in accordance with the Indenture.

**Liquidity Account and Subaccounts**

So long as any of the FTA-Secured Bonds (including the Series 2026 Bonds and, upon issuance thereof, the Series 2027 Bonds) remain Outstanding, the Master Trustee is required under the Financing Trust Agreement to establish, maintain and hold in trust, a separate trust account to be designated as the "UC Privatized Housing Financing Trust Liquidity Account" (the "Liquidity Account"). Pursuant to the Financing Trust Agreement, the Master Trustee will create within the Liquidity Account: (1) the UCI Bonds Pooling Subaccount and (2) the UCI Bonds Redemption Subaccount. The Master Trustee will deposit amounts to, and transfer amounts from the Liquidity Account and such subaccounts therein from time to time in accordance with the terms and conditions of the Financing Trust Agreement. All such moneys shall be promptly deposited by the Master Trustee upon receipt thereof and shall be held, disbursed, allocated and applied by the Master Trustee only as provided in the Financing Trust Agreement.

On the date of issuance of the Series 2026 Bonds, the Master Trustee will have on deposit in the UCI Bonds Pooling Subaccount at least $________, which is equal to sum of (i) $9,678,750, which amount represents 100% of Maximum Annual Debt Service on the Series 2017 Bonds; (ii) $14,000,400, which amount represents 100% of Maximum Annual Debt Service on the Series 2021 Bonds; and (iii) $_________, which amount represents 75%* of Maximum Annual Debt Service on the portion of the Series 2026 Bonds the proceeds of which will be used to fund the Series 2026 Project and, if applicable, 100% Maximum Annual Debt Service on the portion of Series 2026 Bonds the proceeds of which will be used to refinance the Series 2016 Bonds, which will constitute the Initial Liquidity Account Requirement (as defined in the Indenture) for the Series 2026 Bonds.

* Preliminary, subject to change.

On the date of issuance of the Series 2027 Bonds, the Master Trustee is expected to have on deposit in the UCI Bonds Pooling Subaccount at least $________, which is equal to sum of (i) $14,000,400, which amount represents 100% of Maximum Annual Debt Service on the Series 2021 Bonds; (ii) $_________, which amount represents 75%* of Maximum Annual Debt Service on the portion of the Series 2026 Bonds the proceeds of which were (or will be) used to fund the Series 2026 Project and, if applicable, 100% Maximum Annual Debt Service on the portion of Series 2026 Bonds the proceeds of which were used to refinance the Series 2016 Bonds; and (iii) $_________, which amount represents 100% of Maximum Annual Debt Service on the Series 2027 Bonds, which will constitute the Initial Liquidity Account Requirement (as defined in the Indenture) for the Series 2027 Bonds.

In addition, thereafter, pursuant to the Indenture, on or after the Series 2026 Completion Date, and subject to certain conditions, the Bond Trustee shall transfer to the Master Trustee, from amounts deposited to the Construction Fund, an amount as set forth in the written direction of the Borrower not in excess of the lesser of: (i) an amount that will cause the deposit in the UCI Bonds Pooling Subaccounts (excluding any Revenues deposited therein on or after the Series 2026 Completion Date) to equal the Liquidity Account Requirement (as defined in the Indenture), and (ii) $____________. Additionally, on or after the Series 2026 Completion Date, the Bond Trustee, on behalf of the Borrower, will transfer to the Master Trustee, from amounts deposited in the Revenue Fund, an amount each month equal to one-thirty-sixth of the difference between the Maximum Annual Debt Service on the Series 2026 Bonds and the amount deposited from the Series 2026 Bonds in the 2026 Subaccount of the UCI Bonds Pooling Subaccount pursuant to the Financing Trust Agreement, until the amount on deposit in the UCI Bonds Pooling Subaccounts is equal to the Liquidity Account Requirement. The Liquidity Account Requirement shall be, as of any date of calculation, an amount equal to the greater of (a) the sum of the maximum annual debt service for each Series of Bonds then Outstanding for Financed Projects located at or serving a single campus of the University of California ("Campus Aggregate Maximum Annual Debt Service") or (b) fifty percent (50%) of aggregate maximum annual debt service for each Series of Bonds then Outstanding, which, would include Series of Bonds financing projects other than the campus of UCI, if any Series of Bonds were issued for such purposes. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS— FINANCING TRUST AGREEMENT— Definitions Used in the Financing Trust Agreement" and—"Deposits to Liquidity Account."

The Financing Trust Agreement and the Loan Agreement require the Borrower to maintain funds on deposit in the UCI Bonds Pooling Subaccount in an aggregate amount not less than the Liquidity Account Requirement (as such requirement is adjusted pursuant to the Financing Trust Agreement); provided that during the period prior to the date the Borrower has made all of the scheduled transfers described above, as required pursuant to the Indenture, the aggregate amount required to be on deposit in the UCI Bonds Pooling Subaccount will be not less than the aggregate amount of the scheduled deposits then required to have been made pursuant to the Financing Trust Agreement.

Upon receipt of notice from a bond trustee of a Debt Service Account Deficiency relating to FTA-Secured Bonds, the Master Trustee will determine if the amount on deposit in the Series Pooling Subaccount for such bonds is sufficient to pay such deficiency. If the amounts on deposit in such Series Pooling Subaccount are not less than such deficiency, the Master Trustee will transfer the amount of such deficiency to such bond trustee for deposit into such Debt Service Account. If the amounts on deposit in such Series Pooling Subaccount are less than such deficiency, then the Master Trustee will (1) transfer all amounts on deposit in such Series Pooling Subaccount to such bond trustee for deposit into such Debt Service Account and (2) transfer an amount equal to the difference between such amount and the amount of the deficiency to such bond trustee for deposit into such Debt Service Account by withdrawing an amount from each remaining Series Pooling Subaccount equal to the Proportionate Share (as defined in the Financing Trust Agreement) of such subaccount.

Amounts on deposit in the UCI Bonds Pooling Subaccount in excess of the Liquidity Account Requirement shall, upon the written direction of The Regents filed with the Master Trustee, be transferred to the UCI Bonds Redemption Subaccount pursuant to the Financing Trust Agreement; provided, however, (i) to the extent such excess is caused by a deposit made from the Revenue Fund to the UCI Bonds Pooling Subaccount as described in the Eighth Supplemental Financing Trust Agreement, then such excess shall be transferred to the Revenue Fund as set forth in the Eighth Supplemental Financing Trust Agreement and, (ii) to the extent such excess is caused by a deposit made from the Surplus Fund to the UCI Bonds Pooling Subaccount as described in the Eighth Supplemental Financing Trust

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* Preliminary, subject to change.

Agreement, then such excess shall be transferred to the Surplus Fund as set forth in the Eighth Supplemental Financing Trust Agreement. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS— FINANCING TRUST AGREEMENT— Deposits to UCI Bonds Pooling Subaccount."

Upon the written direction of The Regents, moneys on deposit in the UCI Bonds Redemption Subaccount shall be transferred to the Bond Trustee for deposit into (i) the Bond Fund and applied to pay principal of and interest on FTA-Secured Bonds as it becomes due and payable in accordance with the Indenture or (ii) the Redemption Fund and applied to redeem or purchase FTA-Secured Bonds in accordance with the Indenture. Prior to the Series 2026 Completion Date, interest earnings allocable to proceeds of the Series 2026 Bonds on investments held in the UCI Bonds Pooling Subaccount shall, upon written direction of The Regents filed with the Master Trustee, be transferred to the UCI Bonds Trustee for deposit in the 2026 Account of the Construction Fund. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE FINANCING TRUST AGREEMENT—Application of UCI Bonds Redemption Subaccount."

**The Financing Trust Agreement permits the provisions described above, and any and all other provisions of the Financing Trust Agreement, to be amended by a written instrument of the Master Trustee and each Borrower (as defined in the Financing Trust Agreement and including, but not limited to, the Borrower (as defined herein)), upon approval of The Regents, if the Master Trustee receives written confirmation from the applicable Rating Agency that the amendment will not result in the downgrade of its credit rating on any Series of Bonds to less than an Investment Grade Rating (generally defined as a rating of "Baa3" or higher from Moody's).**

For additional information regarding the Financing Trust Agreement and the provisions described above, see APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE FINANCING TRUST AGREEMENT." See also "INVESTMENT CONSIDERATIONS—Liquidity Account Available to Secure Other FTA-Secured Bonds; Financing Trust Agreement Subject to Amendment" herein.

**Insurance Coverage**

A mortgagee's title insurance policy, covering the Series 2026 Project Site, will be available to the Bond Trustee at or prior to closing of the Series 2026 Bonds in the amount of not less than the initial principal amount of the Series 2026 Bonds to insure that the Bond Trustee (as its interests may appear) will have a valid first lien on the Borrower's leasehold interest in and to the Series 2026 Project Site, subject only to Permitted Encumbrances and the standard exclusions from the coverage of such policy. Any net proceeds payable either to the Issuer or to the Borrower under such policy shall be paid to the Bond Trustee and held by the Bond Trustee in the Insurance Fund, and shall, at the Borrower's written direction, be either (i) used to acquire or construct replacement or substitute property in Irvine, California for that to which title has been lost or (ii) used to redeem the Bonds pursuant to the Indenture.

The Borrower agrees in the Loan Agreement to maintain or cause to be maintained at all times during construction of the Series 2026 Project and the Series 2026 Offsite Elements: (i) builder's risk insurance on an "all risk of loss or damage basis" to the full replacement cost of the Series 2026 Project and the Series 2026 Offsite Elements, subject to standard exclusions and sub-limits; flood coverage and earth movement/earthquake coverage may have a minimum sublimit of twenty-five million dollars ($25,000,000) per occurrence and a twenty-five million dollar ($25,000,000) aggregate; (ii) workers' compensation insurance; (iii) commercial general liability insurance on an occurrence basis for liability of the general contractor or Borrower, as an additional insured, arising out of claims for bodily injury and/or property damage; (iv) commercial automobile liability insurance; (v) employers' liability insurance for liability of the general contractor arising out of injury to or death of the general contractor's employees; and (vi) excess or umbrella liability insurance on an occurrence basis (on at least a following form basis, to the extent available on commercially reasonable terms), in excess of the underlying liability insurance described in this paragraph with a twenty-five million dollar ($25,000,000) combined bodily injury, death and property damage minimum limit per occurrence and a twenty-five million dollar ($25,000,000) aggregate; all as subject to the requirements contained in the Loan Agreement.

The Borrower also agrees in the Loan Agreement to keep or cause to be kept the Series 2026 Project continuously insured against such risks as are customarily insured against with respect to facilities of like size and type, as recommended by an Insurance Consultant, including, but not limited to: (a) the insurance policies required under the 2026 Ground Lease (including (i) business auto liability insurance; (ii) commercial general liability insurance; (iii) umbrella or excess liability insurance; and (iv) workers' compensation and employers' liability insurance; (v) professional liability insurance; and (vi) pollution liability insurance, all as more particularly described in the 2026 Ground Lease); and (b) commencing on the Series 2026 Completion Date, business interruption insurance covering loss of revenues and other income by the Borrower by reason of total or partial suspension of, or interruption in, the operation of the Series 2026 Project caused by covered damage or destruction insured under the property insurance required under the 2026 Ground Lease in an amount not less than Annual Debt Service on the Series 2026 Bonds for the next succeeding twenty-four months (the deductible provisions for such business interruption insurance shall be reasonable and customary in the current insurance market). See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE LOAN AGREEMENT—Design, Acquisition, Construction, Furnishing, and Equipping of the Series 2026 Project."

The Loan Agreement requires that earth movement/earthquake insurance on the Series 2026 Project and the Series 2026 Offsite Elements be maintained during the construction of the Series 2026 Project and the Series 2026 Offsite Elements. Other than during construction, the Loan Agreement does not require earth movement/earthquake insurance to be maintained with respect to the Project, and neither the Borrower nor The Regents has obtained or plans to obtain or maintain such coverage for any completed portion of the Project. See "INVESTMENT CONSIDERATIONS—Seismic Risks and Other Disasters" herein.

See also APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE LOAN AGREEMENT—Insurance Required."

**Outstanding Bonds; Parity Obligations**

The Borrower expects that upon delivery of the Series 2026 Bonds and application of a portion of the proceeds thereof to refund the Series 2016 Bonds (see "PLAN OF FINANCE" herein), $133,520,000 aggregate principal amount of the Series 2017 Bonds and $178,145,000 aggregate principal amount of the Series 2021 Bonds will be Outstanding under the Indenture, and such Outstanding Series 2017 Bonds and Series 2021 Bonds will continue to be payable from funds available therefor under the Indenture and are secured by the lien of the Indenture and payable on a parity with the Series 2026 Bonds and any other Additional Bonds (including, upon issuance thereof, the Series 2027 Bonds) issued pursuant to the Indenture. See "INTRODUCTORY STATEMENT." See also "Additional Bonds" below.

The Borrower expects that upon delivery of the Series 2027 Bonds and application of a portion of the proceeds thereof to refund the Series 2017 Bonds (see "PLAN OF FINANCE" herein), $178,145,000 aggregate principal amount of the Series 2021 Bonds and $386,950,000* aggregate principal amount of the Series 2026 Bonds will be Outstanding under the Indenture, and such Outstanding Series 2021 Bonds and Series 2026 Bonds will continue to be payable from funds available therefor under the Indenture and are secured by the lien of the Indenture and payable on a parity with the Series 2027 Bonds and any other Additional Bonds issued pursuant to the Indenture. See "INTRODUCTORY STATEMENT." See also "Additional Bonds" below.

**Additional Bonds**

The Series 2026/2027 Bonds are being issued as Additional Bonds pursuant to the Indenture. The Indenture provides that, so long as no Event of Default under the Indenture is then existing, Additional Bonds (including but not limited to the Series 2026/2027 Bonds) may be issued by the Issuer upon the written request of the Borrower to provide funds to pay any one or more of the following: (i) the costs of completing, renovating or expanding the Project, (ii) the costs of refunding any Bonds and (iii) in each such case, the costs of the issuance and sale of the Additional Bonds and capitalized or funded interest for such period and such other costs reasonably related to the financing as shall be agreed upon by the Borrower and the Issuer. Such Additional Bonds will be issued on a parity with the Series 2017 Bonds, the Series 2021 Bonds, the Series 2026/2027 Bonds and any Additional Bonds hereafter issued, will be secured by the lien of the Indenture and security interests granted by a leasehold deeds of trust equally and ratably with the Series 2017 Bonds, the Series 2021 Bonds, the Series 2026/2027 Bonds and any Additional Bonds hereafter issued,

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* Preliminary, subject to change

and will be payable from the Bond Fund and the Redemption Fund. The Indenture also requires an amount equal to the amount, if any, needed to qualify such Additional Bonds for the additional security of the Financing Trust Agreement in accordance therewith will be required to be deposited into the Liquidity Account.

No Additional Bonds may be issued pursuant to the Indenture unless and until there is furnished to the Bond Trustee either: (i) a certificate of the chief financial officer of the Borrower confirming that (A) for the Fiscal Year next preceding the issuance of such Additional Bonds the Fixed Charges Coverage Ratio was at least 1.2:1.0 and (B) based on a written report of a Financial Consultant accompanying such certificate, the Fixed Charges Coverage Ratio for the first full Fiscal Year following completion of improvements to the Project financed with the proceeds of such Additional Bonds is reasonably expected to be at least 1.2:1.0; or (ii) a certificate of the chief financial officer of the Borrower confirming that (A) such Additional Bonds are issued in order to refund Bonds previously issued, and (B) following the issuance of such Additional Bonds, Annual Debt Service shall be reduced.

In addition, the Indenture provides that (i) until the Bonds issued pursuant to the Indenture after the effective date of the Sixth Supplemental Indenture (relating to the Series 2021 Bonds) constitute at least two-thirds (2/3) of the aggregate principal amount of the Bonds then Outstanding, no Additional Bonds may be issued pursuant to the Indenture unless and until there is furnished to the Bond Trustee written confirmation from each Rating Agency then rating any series of Outstanding Bonds that the issuance of such Additional Bonds will not result in a reduction, suspension or withdrawal of any such rating and (ii) pursuant to the Sixth Supplemental Indenture, when the Bonds issued pursuant to the Indenture after the effective date of the Sixth Supplemental Indenture (relating to the Series 2021 Bonds) constitute at least two-thirds (2/3) of the aggregate principal amount of the Bonds then Outstanding, no Additional Bonds may be issued without written confirmation from each Rating Agency then providing an underlying rating on the Outstanding Bonds that the issuance of such Additional Bonds will not result in the underlying rating on the Outstanding Bonds being below "Baa3" (or the equivalent rating). Upon issuance of the Series 2026 Bonds, it is expected (subject to market conditions with respect to the anticipated refunding of the Series 2016 Bonds) that the above-described two-thirds (2/3) threshold will be met and, with respect to Additional Bonds issued thereafter (including the Series 2027 Bonds), the provisions of clause (ii) above would apply. See "Consent to Amendment to Indenture" above.

**Rate Covenant**

The Borrower has covenanted in the Loan Agreement to operate the Project as a revenue producing student housing facility on a non-discriminatory basis and to the extent permitted by law and by the Ground Leases, to charge such fees and rates for its facilities and services and to exercise such skill and diligence as will provide Revenue Available for Fixed Charges, together with other available funds, sufficient to (i) pay promptly all expenses of operation, maintenance and repair of the Project, (ii) provide all payments required to be made by the Borrower under the Loan Agreement and (iii) maintain a Fixed Charges Coverage Ratio of at least 1.2:1.0. The Loan Agreement provides that, in the event that, based upon the financial statements of the Borrower required by the Loan Agreement, that for any Fiscal Year, such Fixed Charges Coverage Ratio was not maintained at a level of at least 1.15:1.0 (which, for purposes of this requirement, will be calculated without including any amount on deposit in the Coverage Reserve Fund), such failure shall not constitute an Event of Default so long as the Borrower will promptly: (i) (not later than 30 days after such determination) employ a Financial Consultant to submit (within 30 days after commencing such employment) a report of such firm containing recommendations as to changes in the operating policies of the Borrower designed to maintain such Fixed Charges Coverage Ratio and (ii) follow such recommendations to the extent permitted by law and by the Ground Leases. Notwithstanding the retention of a Financial Consultant, an Event of Default shall occur under the Loan Agreement, if the Fixed Charges Coverage Ratio is less than 1.0:1.0 as of the end of any Fiscal Year. Notwithstanding the foregoing rate covenants, the Loan Agreement provides that the Fixed Charges Coverage Ratio will be calculated without regard to Revenue or Fixed Charges relating to the Series 2026 Project during the period from the date of delivery of the Series 2026 Bonds through the first full Fiscal Year after the Series 2026 Completion Date.

The Borrower also is required under the Loan Agreement, from time to time as often as necessary and to the extent permitted by law and the Ground Leases, to revise the rates, fees and charges aforesaid in such manner as may be necessary or proper so that the Revenue Available for Fixed Charges will be sufficient to meet the requirements of the Loan Agreement, and further, in order to comply with provisions of the Loan Agreement, to take all action within its power to obtain approvals of any regulatory or supervisory authority to implement any rates, fees, and charges required by the Loan Agreement.

**Enforceability of Remedies**

The realization of value from the real and personal property comprising the Project (including the Series 2026 Project) and from the other security for the Bonds (including the Series 2026/2027 Bonds) upon any default will depend upon the exercise of various remedies specified by the Bond Documents and other agreements described herein. These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. See "INVESTMENT CONSIDERATIONS–Limits on Remedies Under the Deed of Trust (Anti-Deficiency Laws)" herein.

**Prospective Bond Insurance**

The Borrower expects that the scheduled payment of principal of and interest on all or a portion of the Series 2026/2027 Bonds (collectively, the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the applicable Series of Insured Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY. See "BOND INSURANCE."

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## BOND INSURANCE

### Bond Insurance Policy*

Concurrently with the issuance of the applicable Series of the Insured Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy (for each applicable Series, the "Policy") for all or a portion of the Series 2026/2027 Bonds of such Series (collectively, the "Insured Bonds"). The Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds of the applicable Series when due as set forth in the form of the Policy included as an appendix to this Official Statement. See APPENDIX I — "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

### Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 28 Liberty Street, 59th Floor, New York, New York 10005, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https://www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Insured Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Insured Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Insured Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Insured Bonds, nor does it guarantee that the rating on the Insured Bonds will not be revised or withdrawn.

*Capitalization of BAM.* BAM's total admitted assets, total liabilities, and total capital and surplus, as of June 30, 2026 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $505.6 million, $295.6 million and $210.0 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

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* Preliminary, subject to change.

BAM makes no representation regarding the Series 2026/2027 Bonds or the advisability of investing in the Series 2026/2027 Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE."

*Additional Information Available from BAM.*

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at www.bambonds.com/insights/#video. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at www.bambonds.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Insured Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Insured Bonds, whether at the initial offering or otherwise.

## THE DEVELOPER

### General

ACC SC Development (California) LP, a Delaware limited partnership (the "Developer"), will serve as developer and construction manager for the Series 2026 Project and the Series 2026 Offsite Elements. An affiliate of the Developer also served as developer and construction manager for the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project. The Developer is an affiliate of American Campus Communities, Inc., a Maryland corporation ("ACC"). ACC was founded in October of 1993. ACC became the first publicly traded student housing REIT in 2004 and in April 2022, ACC announced that Blackstone Real Estate Income Trust, Inc., alongside Blackstone Property Partners, would acquire all outstanding stock of ACC, which acquisition was completed in August 2022. As of June 30, 2026, ACC has developed more than $11.3 billion in properties for its own account and its university clients, and it has acquired in excess of $6.7 billion in student housing assets. As of the present date, ACC has acquired, developed or been awarded the development of approximately 350 privatized student housing facilities, consisting of more than 229,000 student beds. Corporate headquarters are located in Austin, Texas. ACC has designed and programmed the full range of contemporary student communities including modern-day residence halls (traditional and full-service), and all styles of apartments and mid-and high-rise communities.

The Developer is an affiliate of the Manager. See "THE MANAGER" herein.

**Development Agreement**

The Borrower will engage the Developer to develop the Series 2026 Project and the Series 2026 Offsite Elements and serve as construction manager pursuant to a Development Agreement, to be dated as of the date of issuance of the Series 2026 Bonds (the "Development Agreement"). The Developer will agree to use commercially reasonable efforts to complete the Series 2026 Project and the Series 2026 Offsite Elements by September 21, 2028 (as such date may be amended or extended from time to time in accordance with the Development Agreement). In the event that substantial completion of the Series 2026 Project is not achieved by the agreed upon date and, as a result thereof, prospective tenants of the Series 2026 Project are unable to take occupancy in the Series 2026 Project on such date, then the Developer will be obligated to provide alternative housing and transportation to those students who have executed leases for units in the Series 2026 Project and are unable to take occupancy until such time as substantial completion of the unit(s) is achieved (collectively, the "Alternate Services") up to an amount equal to $_________ (the "Development Fee"), as further provided in and subject to the limitations of the Development Agreement including Force Majeure (as defined in the Development Agreement).

The Borrower will pay the Developer for its services under the Development Agreement the Development Fee. The Development Fee, together with reasonable and necessary reimbursable expenses included in the approved budget, are payable solely out of proceeds of the Bonds. At the time final payment is made under the Construction Contract (as defined below), and to the extent the Series 2026 Project construction costs are less than the guaranteed maximum price of the Construction Contract, the Developer shall earn and be paid a cost savings fee equal to thirty-three percent (33%) of the Cost Savings (as defined in the Construction Contract), to be paid by the Borrower at the same time as the General Contractor's share of the Cost Savings is due and payable. Twenty-five percent (25%) of any Series 2026 Project contingency remaining following final completion of construction of the Series 2026 Project and the Series 2026 Offsite Elements, payment of all construction and development costs and reimbursement of any costs of providing Alternate Services shall also be payable to the Developer.

The Developer is required to maintain during construction of the Series 2026 Project and the Series 2026 Offsite Elements, in its own name, professional liability insurance, business auto liability, commercial general liability insurance, umbrella or excess liability, worker's compensation and employers' liability insurance.

In performing its duties under the Development Agreement, the Developer serves as construction manager to enforce, on behalf of the Borrower, the contracts with the Architect and the General Contractor. See "THE ARCHITECT'S AGREEMENT AND THE CONSTRUCTION CONTRACT" herein.

## THE MANAGER

**General**

ACC SC Management (California) LP, a Delaware limited partnership, successor by conversion to American Campus Management (California), LLC, a Delaware limited liability company (the "Manager") currently manages the existing Project communities and will also be the initial manager of the Series 2026 Project.

As of June 30, 2026, ACC and its affiliates managed 162 student housing communities, containing more than 126,000 beds. A database of student housing communities managed by ACC or its affiliates is available at www.americancampus.com. The referenced information from the ACC website is not intended to be incorporated in this Official Statement by this reference.

The Manager is an indirect, wholly-owned subsidiary of ACC and is an affiliate of the Developer. For information regarding ACC and the Developer, see "THE DEVELOPER" herein.

**The obligations of the Manager with respect to the Project are not guaranteed by ACC.**

**Management Agreements**

The Borrower has engaged the Manager to manage, operate and lease the Series 2004 Project, the Series 2008 Project, the Series 2011 Project and the Series 2017 Project pursuant to a Third Amended and Restated Management Agreement, dated as of August 1, 2017, as amended, by and between the Borrower and the Manager, which agreement will be further amended in connection with the issuance of the Series 2026 Bonds (as so amended, the "Third Amended Management Agreement") and has engaged the Manager to manage, operate and lease the Series 2021 Project pursuant to a Management Agreement, dated as of October 26, 2021, by and between the Borrower and the Manager, which agreement will be amended and restated to include management of the Series 2026 Project as well (as so amended and restated, the "Series 2021/2026 Management Agreement" and, together with the Third Amended Management Agreement, the "Management Agreements"). Under the Management Agreements, the Manager is responsible for (a) hiring, training and overseeing the on-site manager, resident assistants and on-site maintenance personnel; (b) preparation of a marketing program for the Project and supervision of all advertising layouts, brochures and campaigns; (c) preparation and execution of rental contracts and room assignments; (d) preparation of a capital budget plan relating to capital expenditures for building, grounds and furniture, in connection with the annual budget process; (e) negotiation and execution of utilities and other service contracts for the Project; (f) preparation of an annual budget describing in detail all of the revenue and expenses entailed in the operation and maintenance of the Project and the submission of the same to the Borrower for approval; (g) collection of all rents and other charges due for services provided in connection with the use or occupancy of the Project; (h) assuring proper scheduled maintenance of the Project; (i) in the absence of an applicable exemption, paying all property taxes and governmental fees; and (j) maintaining records, books and accounts related to the Project, and providing the Borrower with monthly operating reports.

The Management Agreements require the Manager to manage, operate and maintain the Project in compliance with the standards, rules and procedures outlined within the Ground Leases. All employees necessary or appropriate to the implementation of the respective terms of the Management Agreements will be employed by the Manager and will be under the control and supervision of the Manager. As provided in the Management Agreements, the Manager will be paid a monthly amount (the "Base Management Fee") of two percent (2%) of all occupancy receipts received for a month for the entire Project. Additionally, the Management Agreements provide that the Manager will be paid annually from the Distributed Management Fee Fund, in accordance with the Indenture and the Management Agreements, two percent (2%) of the Occupancy Receipts received during such Lease Year for the entire Project prior to the opening of the Series 2026 Project and one percent (1%) of the Occupancy Receipts received during such Lease Year for the entire Project after the opening of the Series 2026 Project.

As permitted under the Series 2021/2026 Management Agreement, the Manager expects to subcontract certain services to The Regents at closing pursuant to an amended and restated sub-management agreement (see "Sub-Management Agreement" below).

Under the Management Agreements, the Manager and/or its affiliates may engage in, or possess an interest in, any other project and ventures, even if such other project or ventures compete with the Project. Notwithstanding the potentially competitive nature of such other project or ventures, the Manager agrees in the Management Agreements to carry out its duties to the Project in good faith at all times.

**Sub-Management Agreement**

As permitted under the Series 2021/2026 Management Agreement, The Regents previously entered into a sub-management agreement with the Manager in connection with the Series 2021 Project and expects to enter into an amended and restated sub-management agreement, to be dated the date of issuance of the Series 2026 Bonds (as amended and restated, the "Sub-Management Agreement"), with the Manager for a term expiring on June 30, 2027, subject to extension and earlier termination (pursuant to a termination of the Series 2021/2026 Management Agreement), whereby The Regents will continue to assume certain responsibilities of the Manager under the Series 2021/2026 Management Agreement with respect to the Series 2021 Project and will also assume such responsibilities with respect to the Series 2026 Project. Specific obligations assumed by The Regents include the provision of certain maintenance, groundskeeping and landscaping services. The Regents will be paid an annual fee, as set forth in the annual budget, to compensate The Regents for providing such services under the Sub-Management Agreement, which will be paid as expenses of the Series 2021 and the Series 2026 Project. The Sub-Management Agreement states that the Borrower and the Bond Trustee are intended third-party beneficiaries of the agreement and that they and their respective successors and assigns shall be entitled to rely upon the covenants and agreements therein and to seek enforcement in the event of any nonperformance thereunder.

**Termination of Management Agreements; Replacement of Manager**

The current term of each of the Management Agreements will end on the date that is five (5) years following the date on which the Series 2026 Project is open for business and occupied by Occupants (as defined in the Management Agreements), unless either such term is terminated earlier in accordance with the provisions of the Management Agreements. At the expiration of the current term, each of the Management Agreements will automatically renew for successive monthly terms, unless on or before 30 days prior to the expiration of any such period or any extension thereof, either the Borrower or the Manager shall notify the other in writing that it elects to terminate one or both of the Management Agreements, in which case the applicable Management Agreements will be thereby terminated on the last day of such period.

The Borrower may, after obtaining any necessary approvals pursuant to the Ground Leases, with consent or direction from the Ground Lessor, terminate either of the Management Agreements at any time, without cause, by providing one hundred eighty (180) days written notice to the Manager and the payment of certain termination fees described in the applicable Management Agreement. The Manager and the Borrower also have the right to terminate either of the Management Agreements for cause upon the occurrence of certain events described in the respective Management Agreements. The Manager and the Borrower may materially modify or amend, with the approval of the Ground Lessor, either of the Management Agreements at any time.

The Loan Agreement provides that the Management Agreements may be terminated, upon the prior written approval of the Ground Lessor, if (i) the Fixed Charges Coverage Ratio (excluding, until after the Series 2026 Completion Date, Revenues and Fixed Charges relating to the Series 2026 Project) is not at least 1.0:1.0 for any Fiscal Year or 1.2:1.0 for two consecutive Fiscal Years, as shown in the financial statements of the Borrower related to the Project required under the Loan Agreement or (ii) the Annual Average Occupancy Percentage of the Project falls below 80% for two consecutive Fiscal Years.

The Series 2021/2026 Management Agreement may be terminated in accordance with the provisions thereof without terminating the Third Amended Agreement; however, upon termination of the Third Amended Agreement as described above, the Series 2021/2026 Management Agreement provides that the Series 2021/2026 Management Agreement will also automatically terminate.

In the Loan Agreement, the Borrower agrees that if the initial Manager shall cease to serve as manager for one or more portions of the Project, the Borrower will promptly employ and at all times thereafter employ as manager of the applicable portions of the Project either The Regents or a recognized manager of student housing facilities that then manages, and shall have for the past five years managed, at least 5,000 beds of student housing facilities. Pursuant to the Loan Agreement, prior to entering into a contract with a successor manager (which may be The Regents), the Borrower is required to first deliver to the Bond Trustee an opinion of Bond Counsel to the effect that the terms of the proposed management agreement(s) will not cause the interest on Outstanding Tax-Exempt Bonds (as defined in the Indenture) to be included in gross income for federal income tax purposes. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE LOAN AGREEMENT—Covenant Regarding Manager."

## THE UNIVERSITY AND THE REGENTS

The University of California (the "University"), established in 1868, is the public institution of higher education designated by the State of California in its master plan for higher education for the training of individuals for the professions, for the awarding of doctoral degrees in all fields of human knowledge, and for the conduct of research. It currently operates general campuses located in Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, Santa Barbara and Santa Cruz; a health science campus located in San Francisco; and laboratories, research stations and institutes, affiliated schools, activity locations, and a statewide Division of Agriculture and Natural Resources. The Constitution of the State of California provides that the University shall be a public trust administered by the corporation, "The Regents of the University of California" ("The Regents"), which is vested with full powers of organization and government, subject only to such legislative control as may be necessary to ensure the security of its funds and compliance with the terms of the endowments of the University and such competitive bidding procedures as may be made applicable to the University by statute for the letting of construction contracts, sales of real property, and purchasing of materials, goods and services.

**None of the funds or assets of The Regents are pledged as security for the Series 2026/2027 Bonds.**

The Regents expects to enter into an amended and restated sub-management agreement with the Manager, whereby The Regents assumes certain responsibilities of the Manager under the Series 2021/2026 Management Agreement. See "THE MANAGER—Sub-Management Agreement" herein.

## THE UNIVERSITY OF CALIFORNIA, IRVINE

### General

The University of California, Irvine is a campus of the University, located on approximately 1,500 acres in Irvine, California, approximately 40 miles south of Los Angeles and five miles from the Pacific Ocean. UCI was established in 1965 as the ninth campus of the University. It offers undergraduate, graduate and professional level study, and is a component campus of the University.

### Enrollment

The following table shows student enrollment levels at UCI for the last five academic years. The three-term average figures indicate average enrollment levels for the fall, winter and spring quarters for each academic year listed and include both general campus and health science enrollments.

| | Undergraduate | | Graduate(1) | |
|---|---|---|---|---|
| **Academic Year** | **Fall** | **Three-Term Average** | **Fall** | **Three-Term Average** |
| 2022-23 | 28,661 | 27,496 | 8,019 | 7,673 |
| 2023-24 | 29,503 | 28,451 | 7,847 | 7,494 |
| 2024-25 | 30,204 | 29,085 | 7,878 | 7,537 |
| 2025-26 | 30,260 | 29,145 | 7,828 | 7,492 |
| 2026-27 | 30,859(2) | N/A | 7,643(2) | N/A |

(1) The Graduate category includes post baccalaureates, students in graduate academic programs, professional programs, and self-supporting degree programs. It also includes medical residents.
(2) Unofficial UCI estimates, as of August 10, 2026.

### Housing

Current on-campus student housing at UCI consists of residence halls intended for freshman students and theme houses and student apartments for continuing undergraduate students, transfer students, graduate students and students with families. Such housing includes, but is not limited to, certain non-University-owned student residential communities developed as part of a third-party-owned housing project on the east side of UCI's campus, referred to herein as the "Project" or the "East Campus Apartments," which currently includes the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project and will include the Series 2026 Project when completed.

For additional information regarding on-campus student housing at UCI, see APPENDIX A—"THE PROJECT—Existing On-Campus Student Housing."

## ESTIMATED SOURCES AND USES OF FUNDS

The schedule below contains the estimated sources and uses of funds resulting from the sale of the Series 2026 Bonds:

| | |
|---|---|
| SOURCES OF FUNDS: | |
| Par Amount of the Series 2026 Bonds | $ |
| [Net Original Issue Premium/(Discount)] | |
| Other Available Funds[(1)] | |
| TOTAL SOURCES OF FUNDS | $ |
| USES OF FUNDS: | |
| Deposit to Construction Fund[(2)] | $ |
| Refunding of Refunded Bonds [(3)] | |
| Deposit to Capitalized Interest Account[(4)] | |
| Issuance Costs[(5)] | |
| Deposit to Coverage Reserve Fund | |
| Deposit to Working Capital and Marketing Fund | |
| Transfer to Master Trustee for Deposit to UCI Bonds Pooling Subaccount | |
| TOTAL USES OF FUNDS | $ |

______________________

(1) Certain funds remaining in the Bond Fund, Coverage Reserve Fund and Liquidity Pooling Subaccount established with respect to the Series 2016 Bonds.

(2) Pursuant to the Indenture, amounts remaining in the Construction Fund after the Series 2026 Completion Date may be transferred to various other funds.

(3) To be applied towards redemption of the Series 2016 Bonds. See "PLAN OF FINANCE" herein.

(4) Funds deposited in the Capitalized Interest Account are calculated to be sufficient, together with certain investments earnings, to pay interest on the portion of the Series 2026 Bonds allocable to the Series 2026 Project (but not on the portion allocable to refunding the Series 2016 Bonds) through February 15, 2029.

(5) Issuance Costs include Underwriters' discount, legal fees, printing costs, fees of the Issuer, the Bond Trustee and the rating agency and other miscellaneous costs.

The schedule below contains the estimated sources and uses of funds expected to result from the sale of the Series 2027 Bonds:

| | |
|---|---|
| SOURCES OF FUNDS: | |
| Par Amount of the Series 2027 Bonds | $ |
| [Net Original Issue Premium/(Discount)] | |
| Other Available Funds(1) | |
| TOTAL SOURCES OF FUNDS | $ |
| USES OF FUNDS: | |
| Refunding of Refunded Bonds(2) | $ |
| Issuance Costs(3) | |
| Deposit to Coverage Reserve Fund | |
| Transfer to Master Trustee for Deposit to UCI Bonds Pooling Subaccount | |
| TOTAL USES OF FUNDS | $ |

(1) Certain funds remaining in the Bond Fund, Coverage Reserve Fund and Liquidity Pooling Subaccount established with respect to the Series 2017 Bonds.

(2) To be applied towards redemption of the Series 2017 Bonds. See "PLAN OF FINANCE" herein.

(3) Issuance Costs include Underwriters' discount, legal fees, printing costs, fees of the Issuer, the Bond Trustee and the rating agency and other miscellaneous costs.

## PLAN OF FINANCE

### Financing of the Series 2026 Project

A portion of the proceeds of the Series 2026 Bonds will be applied to finance the design, acquisition, construction, improvement, furnishing and equipping of the Series 2026 Project and the demolition or construction of the associated Series 2026 Offsite Elements. See "THE SERIES 2026 PROJECT AND THE SERIES 2026 OFFSITE ELEMENTS" herein.

### Refunding of the Refunded Bonds

*Refunding of the Series 2016 Bonds.* A portion of the proceeds of the Series 2026 Bonds, together with other available funds, are expected (subject to market conditions) to be applied to refund all of the $197,300,000 outstanding aggregate principal amount of the Series 2016 Bonds.

*Refunding of the Series 2017 Bonds.* Upon issuance and delivery of the Series 2027 Bonds, the Issuer expects to apply a portion of the proceeds thereof, together with other available funds, to refund all of the $133,520,000 outstanding aggregate principal amount of the Series 2017 Bonds.

*[Remainder of page intentionally left blank]*

## DEBT SERVICE*

The following table shows the scheduled principal and interest requirements on the Series 2026 Bonds, together with the debt service requirements on the outstanding Bonds (including the Refunded Bonds). See "PLAN OF FINANCE" herein.

| Bond Year Ending 15-May | Outstanding Bonds | Series 2026 | | Series 2027 | | Total Debt Service |
|---|---|---|---|---|---|---|
| | | Principal | Interest | Principal | Interest | |
| 2027 | $39,853,800 | $ | $ | $ | $ | $ |
| 2028 | 41,071,800 | | | | | |
| 2029 | 41,932,050 | | | | | |
| 2030 | 42,592,300 | | | | | |
| 2031 | 43,128,050 | | | | | |
| 2032 | 44,003,875 | | | | | |
| 2033 | 43,995,125 | | | | | |
| 2034 | 43,992,375 | | | | | |
| 2035 | 44,002,675 | | | | | |
| 2036 | 43,994,625 | | | | | |
| 2037 | 43,996,300 | | | | | |
| 2038 | 44,001,150 | | | | | |
| 2039 | 30,584,100 | | | | | |
| 2040 | 30,583,150 | | | | | |
| 2041 | 16,705,850 | | | | | |
| 2042 | 16,713,450 | | | | | |
| 2043 | 16,708,850 | | | | | |
| 2044 | 16,706,550 | | | | | |
| 2045 | 16,705,400 | | | | | |
| 2046 | 16,709,200 | | | | | |
| 2047 | 16,706,600 | | | | | |
| 2048 | 16,712,100 | | | | | |
| 2049 | 16,707,500 | | | | | |
| 2050 | 16,707,050 | | | | | |
| 2051 | 7,034,350 | | | | | |
| 2052 | 7,031,850 | | | | | |
| 2053 | 7,033,800 | | | | | |
| 2054 | 7,034,900 | | | | | |
| 2055 | – | | | | | |
| 2056 | – | | | | | |
| 2057 | – | | | | | |
| 2058 | – | | | | | |
| 2059 | – | | | | | |
| 2060 | – | | | | | |
| 2061 | – | | | | | |
| Total | $772,948,825 | | | | | |

* Preliminary, subject to change.

## THE 2026 GROUND LEASE

**The Project Sites are leased by The Regents to the Borrower pursuant to the six leases that comprise the Ground Leases. The 2004 Ground Lease leases the 2004 Project Site to the Borrower. The 2008 Ground Lease leases the 2008 Project Site to the Borrower. The 2011 Ground Lease leases the 2011 Project Site to the Borrower. The 2017 Ground Lease leases the 2017 Project Site to the Borrower. The 2021 Ground Lease leases the 2021 Project Site to the Borrower. The 2026 Ground Lease leases the 2026 Project Site to the Borrower.** Pursuant to the 2026 Ground Lease, The Regents has leased the Series 2026 Project Site to the Borrower for a period commencing on the date of the issuance of the Series 2026 Bonds and expiring on the earlier of (i) the $40^{th}$ anniversary of such date at 12:00 midnight or (ii) 12:00 midnight of the day preceding the first day of the month following final redemption or defeasance of all of the Bonds and satisfaction of any and all amounts due under the Loan Agreement or the Indenture, subject to automatic extension if amounts remain due to The Regents. Under no circumstances, shall the term of the 2026 Ground Lease exceed 50 years. The term of the 2026 Ground Lease is also subject to certain (x) early termination rights of The Regents related to events of default and untimely completion of the Series 2026 Project, as provided in the 2026 Ground Lease, (y) an option to purchase whereby The Regents, subject to certain conditions, may acquire the Borrower's entire interest in the Project, and (z) a right of first refusal, whereby The Regents, subject to certain conditions, may acquire the Borrower's entire interest in the Series 2026 Project upon the Borrower's receipt and decision to pursue an unsolicited bona fide offer.

The Borrower may assign or transfer its interest in the Series 2026 Project and/or the Series 2026 Project Site only with the prior written consent of The Regents, which consent may be granted or withheld in The Regents' sole and absolute discretion.

The Borrower's interest in the Project and/or the Project Sites is also subject to an exclusive option to purchase granted to The Regents in the Ground Leases. The Ground Leases provide that The Regents may only exercise the option to purchase with respect to the entire Project, not just a portion thereof. The Regents' option to purchase, effective no earlier than the tenth year following the Effective Date, may be exercised by providing appropriate notice and paying to the Bond Trustee (on behalf of the Borrower): (i) all amounts due under the Bond Documents (as defined in the 2026 Ground Lease) including the principal balances then outstanding of all sums secured by any Leasehold Deed of Trust in effect (as defined in the 2026 Ground Lease), (ii) costs of defeasance or any premium payable on such indebtedness, (iii) all interest accrued or to accrue on such indebtedness through the date of payment of such indebtedness and (iv) closing costs. Upon exercise of the option, title to the Project will be conveyed to The Regents, subject only to Resident Leases, Permitted Encumbrances and all matters that would be disclosed by an accurate survey and inspection of the Project.

The Borrower's interest in the Series 2026 Project is also subject to a reoccurring right of first refusal granted to The Regents in the 2026 Ground Lease, triggered upon the Borrower's decision to pursue an unsolicited bona fide offer to purchase Borrower's interest in the Series 2026 Project. Upon exercise of the right of first refusal, title to the Series 2026 Project will be conveyed to The Regents, subject only to Resident Leases, Permitted Encumbrances and all matters that would be disclosed by an accurate survey and inspection of the Series 2026 Project.

The Borrower will pay fixed ground rent to The Regents, the amount of which will be increased periodically in accordance with the Ground Lease. In addition, the Borrower will compensate The Regents for certain services, as described below.

The occurrence of any of the following will constitute an event of default on the part of the Borrower under the 2026 Ground Lease:

(i) The Borrower shall fail to pay the rent due thereunder at the times specified therein, and such failure shall continue for fifteen (15) days after written notice from The Regents.

(ii) The Borrower shall fail to correct any Operating Deficiency (as defined in the 2026 Ground Lease) within the periods provided for in the 2026 Ground Lease.

(iii) Subject to Force Majeure (as defined in the 2026 Ground Lease), the Borrower shall fail to either (a) diligently pursue completion of the Series 2026 Project and the Series 2026 Offsite Elements, which may be evidenced by a stoppage of work of a duration and nature reasonably likely to delay Substantial Completion beyond the Substantial Completion Date (as defined in the 2026 Ground Lease), or (b) achieve Substantial Completion of the entire Series 2026 Project by March 21, 2029*, unless extended by The Regents, in its sole discretion.

(iv) Except to the extent of delay caused by Force Majeure, the Borrower shall fail to perform or cause to be performed any other term, covenant, condition or provision of the 2026 Ground Lease and shall fail to correct such failure within 30 days after written notice specifying such is given to the Borrower by The Regents. In the case of any such failure that cannot with due diligence be corrected within such 30-day period, but can be wholly corrected within a period of time not materially detrimental to the rights of The Regents, it will not constitute an event of default thereunder if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the failure shall be corrected.

(v) The Borrower shall be adjudicated bankrupt.

(vi) A permanent receiver shall be appointed for the Borrower's interest in the Premises (as defined in the 2026 Ground Lease) and such receiver shall not be removed within 90 days after notice from The Regents to the Borrower to obtain such removal.

(vii) The Borrower shall voluntarily take advantage of any debtor relief proceedings under any present or future law whereby rent due under the 2026 Ground Lease or any part thereof shall be reduced or payment thereof deferred or shall become subject to any such involuntary proceedings and said involuntary proceedings shall not be dismissed within 90 days after notice from The Regents to the Borrower to obtain such dismissal.

(viii) The Borrower shall make a general assignment for the benefit of creditors.

(ix) The Premises or the Borrower's effects or interests therein shall be levied upon or attached under process against the Borrower, and the same shall not be satisfied or dissolved within 90 days after notice from The Regents to the Borrower to obtain satisfaction or dissolution thereof.

(x) A default by the Borrower has occurred and continued beyond any applicable notice and cure periods under any of the Construction Documents (as defined in the 2026 Ground Lease).

(xi) An event of default by the Borrower has occurred pursuant to any of the Bond Documents (as defined in the 2026 Ground Lease) and the Bond Trustee has provided written notice of such event of default and its intent to exercise its remedies pursuant to the Bond Documents.

(xii) [Reserved.]

(xiii) An Event of Default, as defined in the 2004 Ground Lease, the 2008 Ground Lease, the 2011 Ground Lease, the 2017 Ground Lease or the 2021 Ground Lease, respectively, shall have occurred under the applicable Ground Lease and shall have continued beyond all applicable cure periods.

Upon the occurrence of any of the foregoing events of default, The Regents will, subject to the provisions of the 2026 Ground Lease, have the right to (i) upon 90 days written notice and opportunity to cure provided to the Bond Trustee, terminate the 2026 Ground Lease immediately upon written notice to the Borrower and thereafter, to the extent permitted by law, without legal process, enter on and take possession and control of the Premises to the complete exclusion of the Borrower, and The Regents may demand, collect and retain all rents due from tenants occupying the Premises, and may otherwise treat and occupy the Premises as if the 2026 Ground Lease had expired of its own

* Preliminary, subject to change.

limitation, or (ii) without terminating the 2026 Ground Lease, re-let the Premises (upon obtaining the written consent of the Bond Trustee) and collect from the Borrower the reasonable costs and expenses of re-letting, repairing and altering the Premises.

Notwithstanding the foregoing termination rights of The Regents, if The Regents elects to terminate the 2026 Ground Lease upon the occurrence of an Event of Default, the Leasehold Deed of Trust Trustee (as defined in the 2026 Ground Lease) shall be entitled to extend the date of termination for a limited time in order to allow it to acquire the Borrower's interest in the 2026 Ground Lease by foreclosure or otherwise, provided that during such time, the Leasehold Deed of Trust Trustee shall pay rent and other charges required under the 2026 Ground Lease during such period. If the 2026 Ground Lease shall be terminated due to any Event of Default, the Leasehold Deed of Trust Trustee will have the option, but not the obligation, to enter into a lease of the Premises with The Regents at the same rent and upon the same terms and conditions contained in the 2026 Ground Lease.

The Borrower's liability under the 2026 Ground Lease will be non-recourse, and The Regents' source of satisfaction of the Borrower's obligations will be limited to the Borrower's interest in the 2026 Ground Lease, the Premises, all personal property owned by Borrower and used in connection with the Series 2026 Project, and Net Available Cash Flow (as defined in the 2026 Ground Lease).

The Borrower is permitted to lease beds within the Series 2026 Project only to Permitted Occupants, including non-freshman undergraduate students and graduate students, and, under certain circumstances, other Eligible Tenants (as defined in the 2026 Ground Lease). Rental charges to occupants may only be increased within the limitations set forth in the 2026 Ground Lease.

The 2026 Ground Lease requires that the Borrower operate the Series 2026 Project in accordance with numerous policies, regulations and standards of operation.

The Borrower will be obligated to maintain and repair the Premises as provided in the 2026 Ground Lease. The 2026 Ground Lease will require the Borrower to enter into the Series 2021/2026 Management Agreement with the Manager, which will provide for operation of the Premises. The 2026 Ground Lease will prohibit the Borrower from amending the Series 2021/2026 Management Agreement or entering an agreement with a subsequent manager (other than The Regents) without the consent of The Regents.

Under the 2026 Ground Lease, the Borrower will be obligated, subject to Force Majeure and eminent domain, to commence and pursue to final completion the construction of the Series 2026 Project in accordance with the Construction Documents (as defined in the 2026 Ground Lease) and the construction schedule set forth in the Construction Contract. If the Borrower does not deliver on schedule the number of student rooms contemplated in the Construction Documents, the Developer will be liable up to a maximum amount equal to the Development Fee pursuant to and subject to the Development Agreement to provide alternative housing and transportation to students who have executed Resident Leases (as defined in the 2026 Ground Lease) with respect to the Series 2026 Project but are unable to occupy such rooms due to non-completion of the Series 2026 Project. See "THE DEVELOPER–Development Agreement" herein. In addition, if the Borrower fails to diligently pursue completion of the Series 2026 Project or fails to achieve substantial completion of the Series 2026 Project by a certain date, as more fully provided in the 2026 Ground Lease, The Regents has certain early termination rights.

The Regents, as Ground Lessor, will have obligations under the 2026 Ground Lease with respect to the Series 2026 Project to support marketing to Eligible Tenants (as defined in the 2026 Ground Lease), provide campus monitoring and coordination services, provide police services and provide shuttle bus services. In addition, the 2026 Ground Lease permits The Regents, in the exercise of The Regents' sole discretion, to elect to provide Lessor's Elective Services (as defined in the 2026 Ground Lease) pursuant to the Sub-Management Agreement with the Manager. (See "THE MANAGER—Sub-Management Agreement" herein.) If the Sub-Management Agreement is terminated or The Regents do not elect to provide the Covered Services, the Borrower will be required to comply, or cause the Manager to comply, in certain respects with The Regents collective bargaining agreement, as directed by The Regents.

The 2026 Ground Lease provides that certain amenities and improvements constructed as part of the Series 2017 Project, including without limitation a parking facility, maintenance shop, fitness center, leasing offices, student study and meeting spaces, mail/package rooms, and data infrastructure, will be operated by the Borrower in support of both the Series 2017 Project and the Series 2026 Project throughout the term of the 2026 Ground Lease.

See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE 2026 GROUND LEASE" and "—THE PRIOR GROUND LEASES" for a summary of the 2026 Ground Lease and the other Ground Leases.

## THE CONSTRUCTION CONTRACT AND THE ARCHITECT'S AGREEMENT

### The Construction Contract

The Borrower expects to enter into a guaranteed maximum price construction contract (the "Construction Contract") with Benchmark Contractors, Inc., a California corporation ("Benchmark"), as the general contractor for the Series 2026 Project (the "General Contractor"), prior to the issuance of the Series 2026 Bonds, with a guaranteed maximum price for the Series 2026 Project and the Series 2026 Offsite Elements of $132 million. The guaranteed maximum price is subject to adjustment as provided in the Construction Contract. The Construction Contract requires the General Contractor and/or the Borrower to maintain builder's risk insurance and the General Contractor to maintain a payment and performance bond on the construction portion of the Series 2026 Project. The Borrower and the Ground Lessor will be required to be named as additional insureds or obligees on such policies/bonds. In accordance with the Construction Contract, full construction is scheduled to commence in October 2026. The Construction Contract provides for completion of the Series 2026 Project in time for occupancy in the Fall Quarter 2028 and for the payment of liquidated damages by the General Contractor for late completion of the Series 2026 Project, subject to the terms and conditions of the Construction Contract.

The General Contractor has been licensed in the State since 1984. The General Contractor is a wholly-owned subsidiary of Morley Builders, which commenced business in 1947. Morley Builders has been consistently ranked nationally in ENR's Top 400 Contractors. The firm's revenues were approximately $275 million in its fiscal year that ended on December 31, 2025. The firm estimates revenues in excess of approximately $350 million for its current fiscal year. Student housing and multi-family housing living units have been Benchmark's core focus. Benchmark has completed over approximately 15,000 residential units in the past 25 years, including the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project. Benchmark currently has over 1,000 living units under construction and over 1,000 (including the Series 2026 Project) in preconstruction.

### The Architect's Agreement

The Developer has entered into an agreement (the "Architect's Agreement") with KTGY Group, Inc., Irvine, California (the "Architect") relating to the Series 2026 Project, which will be assigned to the Borrower pursuant to the Series 2026 Assignment of Construction Documents. Under the Architect's Agreement, the Architect will provide certain architectural and engineering services in connection with construction of the Series 2026 Project. The Architect is an approximately 34-year-old, nation-wide firm that specializes in the design of multi-family and residential structures with six offices across the United States. The Architect has worked on thousands of multi-family projects across the country and throughout the world, including approximately 9,000 beds of student housing at UCI in the previous phases of the Project. In 2026, the Architect was ranked #44 by *Architectural Record* in their annual ranking of the Top 300 Architecture Firms.

The Architect is licensed in the State.

## INVESTMENT CONSIDERATIONS

*In making investment decisions, investors must rely on their own investigations and evaluation of the merits of a particular investment; however, each investment has particular factors an investor should review and evaluate. The following is a summary, which does not purport to be comprehensive or definitive, of some of the factors an investor may want to consider before purchasing the Series 2026/2027 Bonds. The following is intended only as a summary of certain risk factors attendant to an investment in the Series 2026/2027 Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become* *thoroughly familiar with this entire Official Statement, including, with respect to the Series 2027 Bonds, "FORWARD DELIVERY OF THE SERIES 2027 BONDS" herein and APPENDIX B—"FINANCIAL STATEMENTS OF THE BORROWER FOR THE YEARS ENDED JUNE 30, 2026 AND 2025". Investors should read Appendix B in its entirety.* ***With respect to the Series 2027 Bonds, investors should also read "FORWARD DELIVERY OF THE SERIES 2027 BONDS" in its entirety.*** *Inclusion of certain factors below is not intended to signify that there are not other investment considerations or risks attendant to the Series 2026/2027 Bonds that are as material to an investment decision with respect to the Series 2026/2027 Bonds that are otherwise described or referred to elsewhere herein.*

**Limited Security; Non-Recourse Obligations**

THE SERIES 2026/2027 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR. THE SERIES 2026/2027 BONDS ARE A LIMITED OBLIGATION OF THE ISSUER. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2026/2027 BONDS, OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST THEREON, EXCEPT FROM THE FUNDS PROVIDED UNDER THE INDENTURE AND THE LOAN AGREEMENT AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING THE ISSUER) OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2026/2027 BONDS. THE ISSUANCE OF THE SERIES 2026/2027 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, OR THE UNIVERSITY OR THE REGENTS OR THE CITY OF IRVINE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE ISSUER HAS NO TAXING POWER. MOREOVER, NEITHER THE ISSUER NOR THE PROGRAM PARTICIPANT (AS DEFINED IN THE INDENTURE) SHALL BE LIABLE FOR ANY OTHER COSTS, EXPENSES, LOSSES, DAMAGES, CLAIMS OR ACTIONS, IN CONNECTION WITH THE LOAN AGREEMENT, THE SERIES 2026/2027 BONDS OR THE INDENTURE, EXCEPT ONLY TO THE EXTENT AMOUNTS ARE RECEIVED FOR THE PAYMENT THEREOF FROM THE BORROWER UNDER THE LOAN AGREEMENT.

**Neither the Foundation nor any limited liability company or corporation established by the Foundation (other than the Borrower) will have any obligation with respect to the Series 2026/2027 Bonds or under the Loan Agreement or any of the other Bond Documents. The Borrower's obligations with respect to the Series 2026/2027 Bonds are non-recourse. See "NO RECOURSE AGAINST BORROWER'S MEMBER AND OFFICERS" herein. The Borrower's ability to pay the principal of and interest on the Series 2026/2027 Bonds may be adversely affected by its contractual obligations with respect to the Bonds and the Project, including requirements for payment by the Borrower pursuant to indemnity obligations under certain of the Bond Documents.**

**Competing Facilities and Rental Market Considerations**

The Bond Documents contain no restrictions on the ability of The Regents, the Developer, the Manager or the Borrower to develop, operate or own facilities that could compete with the Project for tenants. Any competing facilities, if so constructed, could materially adversely affect the occupancy and revenues of the Project and, as a result, the ability of the Borrower to pay principal of and interest on the Bonds when due.

Additionally, the economic feasibility of the Project depends in large part upon the ability of the Manager and any successor manager of all or a portion of the Project to attract sufficient numbers of residents to the Project to achieve, and then, maintain, substantial occupancy throughout the entire term of the Bonds. The ability of the Manager or any successor manager to achieve, and then maintain, substantial occupancy for the entire term of the Bonds depends to some extent on factors outside of its control. Such factors include, but are not limited to, the following: competition (both from other on-campus student housing and from off-campus rental units, whether now existing or constructed in the future), changes in enrollment at UCI, changes in rates of commuting or telecommuting by students at UCI, and perceived desirability of the Project to prospective residents.

Moreover, the Series 2026 Project will be subject to various University policies and procedures governing the design, construction, and operation of University facilities. Compliance with such policies may increase certain development, construction, and/or operating costs or reduce operational flexibility compared to other student housing facilities.

**Reliance on Third Parties by Borrower**

The ability of the Borrower to generate sufficient revenues to meet its operating expenses, working capital needs and obligations on the Bonds is subject to many factors, including the capabilities of the Manager and any successor manager, the performance by the Manager or any successor thereto of their obligations under the Management Agreements or any future management agreement and the performance by The Regents of its obligations under the Sub-Management Agreement. The Borrower's ability to generate such revenues will also be impacted by actions of The Regents in its operation of the University (in particular UCI), including but not limited to whether The Regents maintains the status of the Project as official student housing facilities at UCI, the impact of operational decisions of The Regents on the demand for student housing facilities such as the Project at UCI generally and competition from other housing facilities (including student housing facilities developed, operated and owned by The Regents on the UCI campus). See "Competing Facilities and Rental Market Considerations" above.

No assurance can be given that the Manager will be able to successfully manage the Project or that the Borrower will be able to successfully manage (or cause to be managed) the Project if the Manager is terminated or resigns. The Manager will rely on certain key employees to carry out its obligations under the Management Agreements. The ability of the Manager to manage the marketing and operation of the Project successfully will depend on the same key employees. If these key employees are not available to the Manager for any reason, and such employees are not replaced with other qualified individuals, there can be no assurance that the Manager will be able to perform its obligations under the Management Agreements. Even if such key employees are available, there is no assurance that they will successfully manage the Project. Moreover, no assurance can be given that The Regents will continue to operate the University and, in particular, the student housing system at UCI as contemplated in this Official Statement, that The Regents will perform its obligations under the Sub-Management Agreement or that The Regents will not provide incentives in the future for students at UCI to elect to live in student housing facilities owned by The Regents rather than in the Project.

If the Manager fails to perform as contemplated in the Management Agreements, The Regents fails to perform its obligations under the Sub-Management Agreement or The Regents or private developers other than the Borrower take actions that alter the student housing market at UCI, the ability of the Borrower to make timely payment of debt service may be materially adversely affected. None of the University, The Regents or the Manager have any obligation to pay debt service on the Bonds.

**Risks of Construction and Delays in Completion of the Series 2026 Project**

Although the Series 2026 Project is scheduled to be completed (pursuant to the Development Agreement) in time for occupancy for Fall Quarter 2028, no assurance can be provided that the Series 2026 Project will be completed by such date. The construction of the Series 2026 Project is subject to the risks of cost overruns and delays due to a variety of factors including, among others, site difficulties, escalating labor costs and labor disputes, delays in delivery and shortages of materials, weather conditions, fire and casualty, and escalating construction costs. In addition, changes in the current legal and regulatory structure applicable to construction projects in the State such as the Series 2026 Project or with respect to University policies, such as the University Seismic Safety Policy, may increase the cost of the Series 2026 Project or delay its completion. (The University Seismic Safety Policy requires peer review with an Independent Seismic Peer Review of the plans and specifications for the Series 2026 Project, which as of September 16, 2026 has not been completed.) Any revisions to the Series 2026 Project resulting from approvals required to be obtained with respect thereto (including but not limited to seismic review) or in order to comply with such University policies (including but not limited to such peer review), or delays in obtaining any such approvals or complying with any such policies, may increase the cost of the Series 2026 Project or delay its completion. If completion of the Series 2026 Project is delayed beyond the estimated construction period, receipt of revenues projected from the operation of the Series 2026 Project will be delayed and the ability of the Borrower to make the required payments would in such case be adversely affected. If the Borrower does not deliver on schedule the number of student rooms contemplated in the Construction Documents, the Developer will be liable, pursuant to and subject to the Development Agreement, to provide alternative housing and transportation to students who have executed leases with respect to the Series 2026 Project but are unable to occupy such rooms due to non-completion of the Series 2026 Project up to a maximum amount equal to the Development Fee (see "THE DEVELOPER—Development Agreement" herein). The Developer has no obligation to pay debt service on the Bonds.

**Limited Operational Information Available Regarding Non-University-Owned Student Housing**

The information set forth in Appendix A includes, among other things, certain operational information (such as rental rates and occupancy rates) relating to the existing on-campus student housing at UCI. The information presented, with the exception of information relating to the Project, relates to University-owned student housing facilities that are maintained by UCI. The Series 2026 Project will not be University-owned and will not be maintained by UCI (though The Regents will have certain operational obligations with respect to the Series 2026 Project pursuant to the Sub-Management Agreement, as described herein). In addition, the information available with respect to the Project may itself be of limited value due to the potential impact on demand for any portion of the Project as a result of additional portion(s) of the Project being completed (including the Series 2026 Project). No assurances can be given that results with respect to the operation of the Project will not differ materially from the operational information presented in Appendix A relating to the existing on-campus student housing at UCI.

**Liquidity Account Available to Secure Other FTA-Secured Bonds; Financing Trust Agreement Subject to Amendment**

As security for the payment of the FTA-Secured Bonds (including, but not limited to, the Series 2017 Bonds, the Series 2021 Bonds, the Series 2026 Bonds and, upon issuance thereof, the Series 2027 Bonds), the UCI Bonds Pooling Subaccount and the UCI Bonds Redemption Subaccount and all amounts on deposit therein, and the UCI Bonds Liquidity Account Loan Payments will be pledged for the equal and pro rata benefit of all such bonds, in the manner and to the extent provided in, and subject to the terms and conditions of the Financing Trust Agreement. Upon receipt of notice from the Bond Trustee, or any other bond trustee of other FTA-Secured Bonds, of a deficiency in the Debt Service Account relating to such a series of bonds, the Master Trustee may, under certain circumstances, transfer funds on deposit in any Series Pooling Subaccount to pay debt service on any other series of Bonds (as defined in the Financing Trust Agreement). Currently, the UCI Bonds Pooling Subaccount is the only Series Pooling Subaccount established within the Liquidity Account under the Financing Trust Agreement. Pursuant to the Financing Trust Agreement, the Borrower is obligated to replenish the UCI Bonds Pooling Subaccount if the funds in such subaccount are less than the Liquidity Account Requirement. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Pledge and Assignment of Financing Trust Estate" and "—Liquidity Account and Subaccounts" herein.

Any use of funds on deposit pursuant to the Financing Trust Agreement to pay debt service on FTA-Secured Bonds other than the Bonds could result in decreased amounts available under the Financing Trust Agreement to secure payment of the Bonds or increased additional payments required to be made by the Borrower to replenish the UCI Bonds Pooling Subaccount if the funds in such subaccount are less than the Liquidity Account Requirement and, ultimately, any such use could materially adversely affect the ability of the Borrower to utilize funds held under the Financing Trust Agreement to pay principal of and interest on the Bonds when due.

Moreover, the Financing Trust Agreement permits the provisions described above, and any and all other provisions of the Financing Trust Agreement, to be amended by a written instrument of the Master Trustee and any Borrower (as defined in the Financing Trust Agreement and including, but not limited to, the Borrower (as defined herein)), upon approval of The Regents, if the Master Trustee receives written confirmation from the Rating Agency that the amendment will not result in the downgrade of its credit rating on any Series of Bonds (as defined in the Financing Trust Agreement and including, but not limited to, the Series 2017 Bonds, the Series 2021 Bonds, the Series 2026 Bonds and, upon issuance thereof, the Series 2027 Bonds) to less than an Investment Grade Rating (generally defined as a rating of "Baa3" or higher from Moody's). Any such amendment or amendments could alter the provisions of the Financing Trust Agreement described in this Official Statement and the Borrower's rights and obligations thereunder and could, as a result, materially adversely affect the Borrower's ability to pay principal of and interest on the Bonds when due.

**Prevailing Wage Coverage**

On July 28, 2006, the California Department of Industrial Relations issued a determination regarding coverage of the "UCI East Campus Apartments Phase I" project (referred to herein as the Series 2011 Project) under California's prevailing wage laws. Based upon review of the facts, the Director of the California Department of Industrial Relations determined that the Series 2011 Project was not a "public work" and not subject to the prevailing wage laws.

Prevailing wage determinations are made on a case by case basis, based on the facts of a particular project. As of the date hereof, no prevailing wage determination has been requested with respect to the Series 2026 Project or any other portion of the Project other than the Series 2011 Project. The current Series 2026 Project budget does not contemplate payment of prevailing wages with respect to the design or construction of the Project. If a final judgment entered pursuant to a coverage determination with respect to any portion of the Project were to require payment of such prevailing wages, and if amounts available for such purpose were insufficient to cover the additional expenses, such expenses could materially adversely affect the ability of the Borrower to pay principal of and interest on the Series 2026/2027 Bonds.

**General Risks of Real Estate Investment**

There are many diverse risks attending any investment in real estate not within the Borrower's control, which may have a substantial bearing on the profitability and financial feasibility of the Project. Such risks include the risk of adverse changes in general economic and local conditions, adverse weather delays, over-supply of similar facilities in the area, population decreases, uninsured losses, operating deficits and mortgage foreclosure, adverse changes in neighborhood values and adverse changes in zoning laws, other laws and regulations and real property tax rates. Such losses also include the possibility of fire or other casualty or condemnation. If the Project, or any part of the Project, were uninhabitable during restoration after damage or destruction, it could materially adversely affect the ability of the Project to generate sufficient revenues to enable the Borrower to pay principal of and interest on the Bonds when due.

**Property Tax Risk**

On August 30, 2002, The Regents received an opinion of the State Board of Equalization for "UCI East Campus Apartments Phase I" (referred to herein as the Series 2011 Project) that provided that such project would not be subject to property taxes. The Orange County Assessor's Office (the "Assessor"), which administers property tax exemptions, has never assessed, or imposed taxes on, the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project or the Series 2021 Project. No assurances can be given, however, that the Assessor will not assess such taxes with respect to the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, the Series 2021 Project or the Series 2026 Project in future years. It is the intention of The Regents and the Borrower to contest any such imposition of property taxes. In the event any property interest in the Project becomes subject to property taxes at any time, the amount of such property taxes (which could be significant), would constitute an expense of the Project. Increased expenses relating to property taxes could result in material increases in rental rates with respect to the Project, possibly materially adversely affecting the marketability of the Project to students.

**Environmental Risks**

There are potential risks relating to liabilities for environmental conditions with respect to the ownership of real property. If hazardous substances are found to be located on property, owners of such property may be held liable for costs and other liabilities related to the presence, migration or removal of such substances, which costs and liabilities could exceed the value of the property.

Environmental reports prepared in connection with the Series 2026 Project include that certain Phase I Environmental Site Assessment report dated January 20, 2023 and prepared by Ninyo & Moore, that certain Phase I Environmental Site Assessment (Site A) dated February 3, 2026 prepared by Langan CA, Inc., that certain Phase I Environmental Site Assessment (Site B) dated February 3, 2026 prepared by Langan CA, Inc., that certain Soil Vapor

Investigation Report dated March 12, 2026 and prepared by Langan CA, Inc., that certain Phase I Environmental Site Assessment (Site A) dated September 14, 2026 prepared by Langan CA, Inc., and that certain Phase I Environmental Site Assessment (Site B) dated September 14, 2026 prepared by Langan CA, Inc. (collectively, the "Series 2026 Project Environmental Reports").

The Series 2026 Project Environmental Reports identified recognized environmental conditions (RECs) at Site A as the result of offsite contamination migration from a nearby leaking underground storage tank (LUST) and potential offsite migration from a nearby former dry cleaners site cleanup. No RECs were identified for Site B. Soil vapor samples were collected from Site A to determine if the offsite migration could pose a risk to future occupants. Concentrations of volatile organic compounds were identified in the soil vapor on Site A; however, the concentrations were not considered significant enough to pose a potential health risk to future occupants. No further investigation was recommended based on the soil vapor findings. In September 2026 the Series 2026 Project Environmental Reports were updated for both Site A and B. The updates did not yield any different conclusions than previously noted.

Reports prepared in connection with earlier phases of the Project include (i) a Phase I Environmental Site Assessment (the "2021 Phase I ESA") was performed by Stoney-Miller Consultants, Inc. ("SMC") and a report was delivered to the Developer on September 22, 2021, which report did not identify any recognized environment conditions ("RECs") at the Series 2021 Project Site or at offsite property; and (ii) an October 21, 2016 report was prepared in connection with a Phase I Environmental Site Assessment (the "2016 Phase I ESA") performed by SMC and a March 10, 2017 report prepared by SMC in connection with a Phase II Environmental Site Assessment (the "Phase II ESA").

The 2016 Phase I ESA identified a REC stemming from past environmental conditions associated with a gasoline service station associated with petroleum leaking from leaky underground storage tanks that was located adjacent to the Series 2017 Project Site and the Series 2021 Project Site. Based on the information reviewed in connection with the closure of the service station, groundwater contamination (i.e., benzene) at the service station was identified as a potential vapor encroachment condition that could impact the Series 2017 Project Site and the Series 2021 Project Site. Two additional RECs were identified at work areas at the Series 2017 Project Site and the Series 2021 Project Site, those being (i) a large surface spill of an unknown liquid, which the Phase II ESA identified as likely to be paint, and (ii) the historical use of a portion of the property as a work yard/staging area including two bases of unlined stockpiles of soil and construction waste (asphalt and concrete) where there was no direct evidence that the stockpiled material was contaminated.

Soil gas samples were collected at six locations at the Series 2017 Project Site and the Series 2021 Project Site, and analyzed for volatile organic compounds ("VOCs") in accordance with the guidelines of the California Environmental Protection Agency – Department of Toxic Substances ("DTSC"). Based on the results of the Phase II ESA, the report concluded there was no risk to human health associated with the vapor intrusion into indoor air from possible groundwater contamination associated with the service station was identified at the Series 2017 Project Site or the Series 2021 Project Site. The Phase II ESA reported that in the work areas, soil gas samples analyzed for VOCs and soil samples analyzed for metals did not identify any risk to human health associated with surface staining observed as part of the 2016 Phase I ESA.

Neither the Borrower nor the Ground Lessor is aware of any pending or threatened claim, investigation or enforcement action regarding environmental issues relating to the Project, which, if determined adversely, would have material adverse consequences to the operations or financial condition of the Project. There can be no assurance given, however, that the Borrower will not encounter environmental risks in the future.

**Seismic Risks and Other Disasters**

The Project is located in a seismically active region of southern California. The Project was designed to meet all applicable seismic standards. However, the occurrence of severe seismic activity in the area could result in substantial damage to the Project. The Loan Agreement requires that earthquake insurance in the amount of twenty-five million dollars ($25,000,000) be maintained on the Series 2026 Project during the construction of the Series 2026 Project. Other than during construction, the Loan Agreement does not require earthquake insurance to be maintained with respect to the Project, and neither the Borrower nor The Regents has obtained or plans to obtain or maintain such coverage for any completed portion of the Project. The Project is also subject to other natural and man-made disasters or “acts of God” that could significantly damage the facilities. For a description of the insurance required to be maintained with respect to certain of such disasters, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Insurance Coverage” herein. In the event of a severe earthquake or other disaster, available funds may be insufficient to restore the Project and, as a result, such a disaster could materially adversely affect the Borrower’s ability to pay principal of and interest on the Bonds.

**Cybersecurity Risks**

The Borrower, the Developer and the Manager all rely on information technology systems (and, in some cases, also third-party service providers) to facilitate their operations. These systems (and the systems of such third-party service providers) may be vulnerable to cybersecurity incidents, including unauthorized access, ransomware, denial-of-service attacks, data theft, or other events that could result in disruptions to operations; loss, corruption, or unavailability of data; reputational harm; litigation or regulatory inquiries; increased costs for remediation and security enhancements; and potential loss of revenues as a result thereof. Businesses of all types are experiencing increased cybersecurity attacks. Vendors and service providers may also be subject to cybersecurity incidents that could affect the Borrower’s, the Developer’s and/or the Manager’s operations. While the Borrower, the Developer and the Manager maintain policies, procedures, and technical safeguards intended to protect their respective systems and data and also have secured cybersecurity insurance, such parties remain at risk for cybersecurity incidents.

In particular, ACC is currently investigating a cybersecurity incident that occurred in 2026 and has engaged experienced professionals to assist with its response and in the implementation of any additional safeguards deemed necessary. While the investigation remains ongoing, ACC is not aware of any risk to data relating to the Project or UCI as a result of this incident.

There is no assurance that similar incidents will not occur in the future or, should such incidents occur, that those incidents would not materially adversely affect the marketability of the Project, operations relating to the Project or the Borrower’s ability to pay principal of and interest on the Bonds when due.

**Information Not Verified**

Information with regard to the Project, including the Series 2026 Project, has been obtained from the Developer and the Manager. Much of the information with respect to the Series 2026 Project involves predictions with regard to future events, such as the time required to complete construction of the Series 2026 Project and the initial operating expenses of the Series 2026 Project; such information is, by its nature, not subject to verification. None of the Issuer, The Regents or the Borrower has independently verified the information provided by the Developer or the Manager regarding the Project. No representation is made or intended, nor should any representation be inferred, with respect to the likely existence of any particular set of facts or circumstances, and prospective purchasers of the Series 2026/2027 Bonds are cautioned not to place undue reliance upon the results projected. If actual results are less favorable than the results projected, the ability of the Borrower to make timely payment of debt service on the Bonds may be materially adversely affected.

**No Requirement to Provide Credit Facility or Bond Insurance**

The Indenture does not require payment of the principal of, premium, if any, and interest on the Series 2026/2027 Bonds to be supported by a credit facility or a municipal bond insurance policy. The Loan Agreement contains no covenants requiring the Borrower to maintain any specified level of liquidity or credit rating. See “Enforceability of Remedies; Effect of Bankruptcy” below. Moreover, the Borrower’s obligations with respect to the Series 2026/2027 Bonds are non-recourse. See “NO RECOURSE AGAINST BORROWER’S MEMBER AND OFFICERS” herein.

Notwithstanding the foregoing, the Borrower expects that the scheduled payment of principal of and interest on all or a portion of the Series 2026/2027 Bonds (collectively, the “Insured Bonds”) when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the applicable Series of Insured Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY. See “SECURITY AND SOURCES OF

PAYMENT FOR THE BONDS—Prospective Bond Insurance" and "BOND INSURANCE" herein. See also "Certain Rights of the Insurer" below.

**Certain Rights of the Insurer**

So long as the applicable Policy remains in effect with respect to a Series of Insured Bonds and the Insurer (as defined in the Indenture) is not in default of its obligations thereunder, the Insurer has certain notice, consent and other rights under the Insured Series 2026 Bonds Security Documents or the Insured Series 2027 Bonds Security Documents, as applicable (each as defined in the Indenture). For example, the prior written consent of the Insurer is required, subject to certain exceptions, in connection with any amendment or supplement to such Insured Series 2026 Bonds Security Documents or Insured Series 2027 Bonds Security Documents. In addition, upon the occurrence and continuation of a default or an event of default, subject to the terms of the Indenture, the Insurer will be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the applicable Insured Bonds of the applicable Series or the Bond Trustee or the paying agent (as defined in the Indenture) for the benefit of the holders of the Insured Bonds of the applicable Series under the Insured Series 2026 Bonds Security Documents or the Insured Series 2027 Bonds Security Documents, as applicable, and no default or event of default may be waived without the Insurer's written consent. For additional information with respect to the Insurer's rights in connection with the Policy under the Insured Series 2026 Bonds Security Documents or the Insured Series 2027 Bonds Security Documents, see APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS—THE INDENTURE—Provisions Relating to the Insured Series 2026/2027 Bonds."

**Enforceability of Remedies; Effect of Bankruptcy**

The remedies available to the Bond Trustee, the Issuer and the Bondholders upon an Event of Default under the Indenture, the Loan Agreement or the Leasehold Deed of Trust are dependent upon judicial actions which are, in turn, often subject to discretion and delay. Under existing constitutional and statutory laws and judicial decisions, including specifically, Title 11 of the United States Code, the Federal Bankruptcy Code, a particular remedy specified by the Indenture, the Loan Agreement or the Leasehold Deed of Trust may not be enforceable or available, or its enforceability or availability may be limited or subject to substantial delay. The various legal opinions to be delivered concurrently with the issuance and delivery of the Series 2026/2027 Bonds will be qualified as to the enforceability of the various legal instruments and the rights and remedies thereunder by limitations imposed by the valid exercise of constitutional powers of the State and the United States of America and other governmental authorities, including police powers exercised for the benefit of the public health and welfare, and by principles of equity and by bankruptcy, reorganization, insolvency, moratorium and similar laws affecting the rights of creditors generally.

**Limits on Remedies Under the Deed of Trust (Anti-Deficiency Laws)**

Several statutes applicable in the State limit the remedies of a beneficiary under a deed of trust such as the Leasehold Deed of Trust. Under one statute, if the beneficiary exercises its power of sale (i.e., accomplishes the foreclosure by means of a nonjudicial trustee's sale), the beneficiary may not obtain a deficiency judgment for the difference between the amount of the debt and the amount realized at the sale. Another statute commonly known as the "one-form-of-action" rule, requires the beneficiary to exhaust the security under the deed of trust by foreclosure and prohibits any personal action against the trustor on the debt other than a deficiency judgment following a judicial foreclosure. A third statutory provision limits any deficiency judgment obtained by the beneficiary following judicial sale to the excess of the outstanding debt over the fair market value of the property at the time of sale as determined by the court, thereby preventing a beneficiary from obtaining a large deficiency judgment against the debtor as a result of low bids at the judicial sale. Thus the choice of method of foreclosure (nonjudicial trustee's sale versus judicial foreclosure) could affect the amount that may be realized from the sale of the Series 2026 Project and the Borrower following a default. Additionally, if the Bond Trustee were to take direct action on the debt or exercise other rights against the Borrower rather than foreclosing the deed of trust, the benefit of the real property security would be lost under the "one-form-of-action" rule.

**Leasehold Nature of Security; Subordination to The Regents' Fee Interest**

The Leasehold Deed of Trust (described under "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Leasehold Deed of Trust and Assignment of Construction Documents" herein) encumbers only the

Borrower's leasehold interest in the Project Sites, not the underlying fee simple interest in each of the Project Sites, which remain owned by The Regents. Pursuant to the Leasehold Deed of Trust, the lien created thereby is expressly subordinate to The Regents' fee interest in the Project Sites and to the Ground Leases. Consequently (and subject to the Leasehold Deed of Trust Trustee's rights under the Leasehold Deed of Trust), any foreclosure on the Leasehold Deed of Trust would convey only the Borrower's leasehold interest to the purchaser, subject to the terms and conditions of the Ground Leases (described under "THE 2026 GROUND LEASE" herein). The value of a leasehold interest may be significantly less than the value of fee simple ownership, particularly (i) because a purchaser at a foreclosure sale would be required to assume all obligations of the Borrower under the Ground Leases and would be required to comply with such terms and conditions and (ii) in the event the remaining term of the Ground Leases is limited at the time of foreclosure.

**Tax-Exempt Status**

THE SERIES 2026/2027 BONDS ARE NOT SUBJECT TO MANDATORY REDEMPTION AND THE RESPECTIVE RATES OF INTEREST ON THE BONDS ARE NOT SUBJECT TO ADJUSTMENT, IF THE INTEREST ON THE BONDS, OR ANY PORTION THEREOF, IS DETERMINED TO BE INCLUDED IN GROSS INCOME FOR THE PURPOSES OF FEDERAL INCOME TAXATION. See "TAX MATTERS" herein and APPENDIX D—"PROPOSED FORMS OF BOND COUNSEL OPINION."

*Tax-Exempt Status of Interest on the Series 2026/2027 Bonds*. The Code imposes a number of requirements that must be satisfied for interest on state and local obligations, such as the Series 2026/2027 Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of the Series 2026/2027 Bond proceeds, limitations on the investment earnings of the Series 2026/2027 Bond proceeds prior to expenditure, a requirement that certain investment earnings on the Series 2026/2027 Bond proceeds be paid periodically to the United States and a requirement that issuers file an information return with the Internal Revenue Service (the "IRS"). The Issuer, the Borrower and the Foundation have covenanted in certain of the documents referred to herein that they will comply with such requirements. Failure by the Borrower or the Foundation to comply with the requirements stated in the Code and related regulations, rulings and policies may result in the treatment of interest on the Series 2026/2027 Bonds as taxable, retroactively to the date of original issuance of the Series 2026/2027 Bonds.

The IRS Tax Exempt and Government Entities Division (the "TE/GE Division") has a subdivision that is specifically devoted to tax-exempt bond compliance and that has been active in auditing tax-exempt bond transactions such as the Series 2026/2027 Bonds. The Borrower has not sought to obtain a private letter ruling from the IRS with respect to the Series 2026/2027 Bonds, and the opinion of Bond Counsel is not binding on the IRS. There is no assurance that an IRS examination of the Series 2026/2027 Bonds will not adversely affect the market value of all or any portion of the Series 2026/2027 Bonds. See "TAX MATTERS" herein.

*Tax-Exempt Status of the Foundation*. The Borrower, as a limited liability company with the Foundation as its sole member, and organized for the purpose of assisting UCI to provide housing for its students, is disregarded for federal income tax purposes. The tax-exempt status of interest on the Series 2026/2027 Bonds presently depends upon the maintenance by the Foundation of its status as an organization described in Section 501(c)(3) of the Code. The maintenance of the Foundation's status as such an organization is contingent upon compliance with general rules promulgated in the Code and related regulations regarding the organization and operation of tax-exempt entities, including their operation for charitable purposes and their avoidance of transactions which may cause their earnings or assets to inure to the benefit of private individuals.

As a result of on-going IRS audit programs, tax-exempt organizations are increasingly subjected to a high level of scrutiny. One penalty available to the IRS under the Code with respect to a tax-exempt charity engaged in unlawful, private benefit or political activity is the revocation of tax-exempt status. Loss of tax-exempt status of the Foundation would most likely result in loss of tax exemption of interest on the Series 2026/2027 Bonds and of the Foundation's other tax-exempt debt. Loss of tax-exempt status of the Foundation would also have material adverse consequences on the financial condition of the Foundation.

In December 2000, the Foundation received a letter from the IRS stating that its Form 990 for the tax years ended June 30, 1998 and June 30, 1999 had been selected for examination. The examination was subsequently expanded to cover the tax year ended June 30, 2000. Upon conclusion of the examination, the examining agent issued a Technical Advice Request that concluded that the audit disclosed that the Foundation's activities were substantially as described in its application for tax-exempt status, but questioning whether the IRS had incorrectly applied the law when it granted the Foundation its exemption under Section 501(c)(3). In response, the Foundation amended its Articles of Incorporation and Bylaws to address the concerns of the IRS. The Foundation received a letter from a Manager, Exempt Organizations Technical of the IRS in December 2002 concluding that such amendments were sufficient to correct any organizational defects previously identified and that, as a result, the Foundation's tax-exempt status would continue to be recognized retroactively to the date of incorporation of the Foundation. The Foundation's case was then returned to the Examination Division of the IRS to permit completion of the audit, with a recommendation that the examination be closed without any change to the Foundation's tax-exempt status. In December 2002, a Director, Exempt Organization Examination of the IRS notified the Foundation that, as a result of its examination for the subject periods, the IRS would continue to recognize the Foundation as exempt. The examination was subsequently closed without any adverse determination regarding the Foundation's tax-exempt status.

*Unrelated Business Income*. In recent years, the IRS, the State, county and local taxing authorities have been undertaking audits and reviews of the operations of tax-exempt organizations with respect to their exempt activities and the generation of unrelated business taxable income ("UBTI"). Borrower and the Foundation do not expect to participate in activities that will generate UBTI. However, if the Borrower or the Foundation were to participate in activities that generated UBTI, an investigation or audit could lead to a challenge that could result in taxes, interest and penalties with respect to unreported UBTI and in some cases could ultimately affect the tax-exempt status of the Borrower or the Foundation as well as the exclusion from gross income for federal income tax purposes of the interest on the Series 2026/2027 Bonds and other present and future tax-exempt debt of the Borrower or the Foundation, if any.

The Foundation believes it has properly complied with the above-described tax laws. Nevertheless, because of the complexity of such tax laws and the presence of issues about which reasonable persons can differ, further audits could result in additional taxes, interest and penalties being incurred by the Foundation. Such an audit ultimately could affect the tax-exempt status of the Foundation as well as the exclusion from gross income for federal income tax purposes of the interest payable on the Series 2026/2027 Bonds and other present and future tax-exempt debt of the Foundation, if any. See "TAX MATTERS" herein.

## FORWARD DELIVERY OF THE SERIES 2027 BONDS

### Forward Delivery

The Series 2027 Bonds are being purchased by the Underwriters from the Issuer pursuant to the 2027 Bond Purchase Agreement. The Underwriters have agreed, subject to the satisfaction of certain terms and conditions of the 2027 Bond Purchase Agreement to purchase the Series 2027 Bonds for delivery by the Issuer on or about February __, 2027 (the "2027 Settlement Date"). The delivery of the Series 2027 Bonds is also subject to the satisfaction of certain conditions, including the conditions described in the following subsection.

### Certain Terms Concerning the Forward Delivery

Under the 2027 Bond Purchase Agreement, the Underwriters are not required to purchase the Series 2027 Bonds if, at any time on or after the Closing (defined below) and on or before the 2027 Settlement Date, among other conditions, (1) there shall have been a Change in Law (defined below); (2) as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed, or for any other reason Bond Counsel cannot issue an opinion to the effect that (a) the interest on the Series 2027 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code (or comparable provisions of any successor federal tax laws), and (b) the interest on the Series 2027 Bonds is exempt from the State of California income taxation; (3) the Official Statement as of the Closing Date (as defined in the 2027 Bond Purchase Agreement) contained, or the Updated Official Statement (defined below) as of the 2027 Settlement Date contains, any untrue statement of material fact, or the Official Statement as of the Closing Date omitted, or the Updated Official Statement as of the 2027 Settlement Date omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (4) legislation shall have been enacted, or a decision of any federal or state court or a ruling or regulation (final or temporary) of the U.S. Securities and Exchange Commission or other governmental agency shall have been made or issued which, in the reasonable opinion of Underwriters' Counsel, following consultation with the Issuer, the Borrower and The Regents, has the effect of requiring the Bonds to be registered under the Securities Act of 1933, as amended, or requires the qualification of the Indenture under the Trust Indenture Act of 1939, as amended, or an event shall occur which would cause the sale of the Bonds to be in violation of any provision of federal or State of California securities laws; (5) a general banking moratorium shall have been declared by either federal, New York or State of California authorities having jurisdiction and shall be in force; (6) an event of default shall have occurred and be continuing under the Indenture; or (7) as of the 2027 Settlement Date, Moody's (as defined herein) no longer maintains a rating on the Series 2027 Bonds.

As defined in the 2027 Bond Purchase Agreement, "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriters, prohibit the Underwriters from completing the underwriting of the Series 2027 Bonds or selling the Series 2027 Bonds or beneficial ownership interests therein to the public, or (B) as to Issuer, the Borrower or The Regents, make the completion of the issuance, sale or delivery of the Series 2027 Bonds illegal.

The Underwriters have advised the Issuer, the Borrower and The Regents that the Series 2027 Bonds will be sold only to investors who execute a Delayed Delivery Contract in substantially the form of Appendix G attached hereto. The Delayed Delivery Contract restricts the ability of purchasers of the Series 2027 Bonds to transfer their interests in the Series 2027 Bonds prior to the 2027 Settlement Date and no representation is made that any such transfer will be permitted. The proposed form of Delayed Delivery Contract is attached as Appendix G at the request and for the convenience of the Underwriters. None of the Issuer, the Borrower or The Regents will be a party to the Delayed Delivery Contracts and none of them are in any way responsible for the performance thereof or for any representations or warranties contained therein. The rights and obligations under the 2027 Bond Purchase Agreement are not conditioned or dependent upon the performance of any Delayed Delivery Contract.

**Certain Considerations**

Issuance and delivery of the Series 2027 Bonds will be dependent upon the receipt by the Issuer of the opinion of Bond Counsel in respect of the Series 2027 Bonds to the effect set forth in Appendix D hereto and of certain other documents required by the 2027 Bond Purchase Agreement, and payment of the purchase price by the Underwriters in accordance with the 2027 Bond Purchase Agreement.

Bond Counsel could be prevented from rendering its opinion on the 2027 Settlement Date with respect to the Series 2027 Bonds as a result of (i) changes or proposed changes, prior to the 2027 Settlement Date, in federal or California state laws, court decisions, regulations or proposed regulations, or rulings of administrative agencies or (ii) the failure of Issuer, the Borrower, The Regents or certain other parties to provide closing documents, satisfactory to Bond Counsel, of the type customarily required in connection with the issuance of tax exempt bonds, such as certificates to the effect that the proceedings of Issuer or the Borrower with respect to the issuance of the Series 2027 Bonds have not been amended or repealed, in a manner detrimental to holders of the Series 2027 Bonds, by executive, legislative or administrative action.

During the period of time between the date of issuance of the Series 2026 Bonds and the 2027 Settlement Date (the "Delayed Delivery Period"), certain information contained in this Official Statement may change in a material respect. The Issuer and the Borrower have agreed to amend or supplement this Official Statement or provide a separate document substantially in the form of this Official Statement (the "Updated Official Statement") updated to its date of delivery and dated a date not more than two weeks prior to the 2027 Settlement Date, and to furnish to the Representative, not less than five days prior to the 2027 Settlement Date, an electronic copy of the Updated Official Statement. With this exception, the Issuer, the Borrower and the Underwriters have not agreed to, nor are they obligated to, provide updates to the information contained in this Official Statement during the Delayed Delivery Period.

*Rating Risk*. No assurance can be given that at the 2027 Settlement Date of the Series 2027 Bonds, the ratings described under "RATINGS" herein will continue to be in effect. The Underwriters may not terminate their obligation to purchase the Series 2027 Bonds unless as of the 2027 Settlement Date Moody's no longer maintains a rating on the Series 2027 Bonds. The ratings in effect as of the 2027 Settlement Date need not be the same ratings that were in effect as of the date of issuance of the Series 2026 Bonds. See "RATINGS" herein.

*Secondary Market Risk*. The Underwriters are not obligated to make a secondary market in the Series 2027 Bonds and no assurance can be given that a secondary market will exist for the Series 2027 Bonds, including during the Delayed Delivery Period. Prospective purchasers of the Series 2027 Bonds should assume that there will be no secondary market during the Delayed Delivery Period.

*Market Value Risk*. The market value of the Series 2027 Bonds as of the 2027 Settlement Date may be affected by a variety of factors including, without limitation, general market conditions, the rating on the Series 2027 Bonds, the financial condition and business operations of the Borrower or the Project or federal or state income tax or other laws. Thus, the market value of the Series 2027 Bonds on the 2027 Settlement Date could be greater or less than the agreed purchase price. None of the Issuer, the Borrower, The Regents or the Underwriters makes any representation as to the market value of the Series 2027 Bonds as of the 2027 Settlement Date.

*Federal Tax Proposals*. The 2027 Bond Purchase Agreement obligates the Issuer to deliver and the Underwriters to acquire the Series 2027 Bonds if the Issuer delivers an opinion of Bond Counsel substantially in the form set forth in Appendix D hereto and certain other conditions are met. It is possible that legislation could be introduced (or that legislation previously introduced could be amended) that, if adopted, would reform the system of federal taxation. Such legislation could (a) eliminate the tax exemption granted to interest payable on "state or local bonds," such as the Series 2027 Bonds, or (b) diminish the value of the federal tax exemption granted interest on such bonds under the current system of federal income taxation. If, as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of Treasury, the IRS (as defined herein) or any agency of the State either enacted, issued, effective, adopted or proposed, or for any other reason Bond Counsel cannot issue an opinion to the effect that (i) the interest on the Series 2027 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code (or comparable provisions of any successor federal tax laws) and (ii) the interest on the Series 2027 Bonds is exempt from the State of California personal income taxes, the Underwriters may terminate their obligation to purchase the Series 2027 Bonds. If, however, legislation only diminishes the value of the tax exemption, and the Issuer and the Borrower satisfy the requirements for the delivery of the Series 2027 Bonds set forth in the 2027 Bond Purchase Agreement, then the Underwriters would still be required to accept delivery of the Series 2027 Bonds on the 2027 Settlement Date. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood that such bills would be introduced or amended or enacted and the consequences of such enactment to the purchasers.

## PROSPECTIVE EVALUATION OF STUDENT HOUSING MARKET

In June 2026, Blue Cottage of CannonDesign ("Blue Cottage") examined the market for student housing in the area of the Project, in order to evaluate the market potential for development of the Series 2026 Project, and prepared a market analysis study (the "Market Analysis Study") of its findings and conclusions. Blue Cottage's projections and evaluations in the Market Analysis Study are based on various factors, including analysis of the existing and anticipated rental housing market, demographics, the economy and housing demand. The Market Analysis Study considered past, present and future student enrollment trends in the area of the Project, the impact of such trends on student housing alternatives, current rental housing alternatives, the need and market support for additional student housing and proposed additions to the area's housing rental base. The Market Analysis Study also evaluated potential rental rates for the Series 2026 Project, which rental rates are the same as those projected to be charged with respect to the Series 2026 Project as of the date of this Official Statement.

The Market Analysis Study is attached as Appendix H hereto and should be read in its entirety.

The Market Analysis Study is based on certain assumptions significant to the operation of the Project as described therein and sets forth information as of its date. The forecasts, projections and evaluations contained in the Market Analysis Study are subject to uncertainties. Inevitably, some underlying assumed events, circumstances (such as the evaluated rental rates) and other assumptions used to develop the forecasts, projections and evaluations will not be realized and unanticipated events and circumstances may occur. Therefore, the actual results achieved in the marketing, operation and occupancy of the Series 2026 Project will vary from such forecasts, projections and evaluations, and the variations may be material. These variations must be considered in evaluating the findings of the Market Analysis Study.

None of the Issuer, the Borrower, the Underwriters, the Bond Trustee, The Regents, the State, the City of Irvine, the Developer or the Manager or any counsel rendering approving or other opinions with respect to the transactions described herein, makes or will make any representations or warranties based on the information, assumptions, forecasts, projections or evaluations contained in the Market Analysis Study. None of the aforementioned parties has undertaken an independent investigation of the assumptions, conclusions and other matters stated in the Market Analysis Study. The Borrower and other parties have relied on Blue Cottage's expertise in the matters covered in the Market Analysis Study. Further, potential investors should review the entire Official Statement in order to make an informed investment decision.

**THERE IS NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH ASSUMPTIONS MADE AND NO REPRESENTATION CAN BE MADE THAT THE FORECASTS IN THE MARKET ANALYSIS STUDY WILL CORRESPOND WITH THE RESULTS ACTUALLY ACHIEVED IN THE FUTURE. ACTUAL OPERATING RESULTS MAY BE AFFECTED BY MANY UNCONTROLLABLE FACTORS, INCLUDING BUT NOT LIMITED TO, INCREASED COSTS, LOWER THAN ANTICIPATED GROSS REVENUES, EMPLOYEE RELATIONS, TAXES, DEMOGRAPHIC AND ENROLLMENT TRENDS AND GENERAL ECONOMIC CONDITIONS. SEE "FORWARD-LOOKING STATEMENTS" HEREIN.**

## LITIGATION

### The Issuer

To the knowledge of the Issuer, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending against the Issuer seeking to restrain or enjoin the sale or issuance of the Series 2026/2027 Bonds, or in any way contesting or affecting any proceedings of the Issuer taken concerning the sale thereof, the pledge or application of any moneys or security provided for the payment of the Series 2026/2027 Bonds, the validity or enforceability of the documents executed by the Issuer in connection with the Series 2026/2027 Bonds, the completeness or accuracy of the Official Statement or the existence or powers of the Issuer relating to the sale of the Series 2026/2027 Bonds.

### The Borrower

There is no litigation now pending or threatened against the Borrower, of which the Borrower has knowledge, that in any manner questions the right of the Borrower to enter into or perform its obligations under the Loan Agreement, the Leasehold Deed of Trust, the Financing Trust Agreement, the Ground Leases or the Assignment of Construction Documents (as defined in the Indenture) or that individually or in the aggregate would adversely affect the operations of the Borrower, financial or otherwise.

## TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the Issuer ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, and, for the Series 2027 Bonds, subject to the satisfaction of certain conditions and to the occurrence of certain events described herein under the heading "FORWARD DELIVERY OF THE SERIES 2027 BONDS," interest on the Series 2026/2027 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that, subject to those same conditions, interest on the Series 2026/2027 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Series 2026/2027 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2026/2027 Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX D hereto.

To the extent the issue price of any maturity of the Series 2026/2027 Bonds is less than the amount to be paid at maturity of such Series 2026/2027 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2026/2027 Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Series 2026/2027 Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Series 2026/2027 Bonds is the first price at which a substantial amount of such maturity of the Series 2026/2027 Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2026/2027 Bonds accrues daily over the term to maturity of such Series 2026/2027 Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2026/2027 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2026/2027 Bonds. Beneficial Owners of the Series 2026/2027 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2026/2027 Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Series 2026/2027 Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2026/2027 Bonds is sold to the public.

Series 2026/2027 Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2026/2027 Bonds. The Issuer, the Borrower and The Regents have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2026/2027 Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2026/2027 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2026/2027 Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Series 2026/2027 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2026/2027 Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

In addition, Bond Counsel has relied, among other things, on the opinion of Hand Arendall Harrison Sale LLC, Counsel to the Borrower and the Foundation, regarding the status of the Foundation as an organization described in Section 501(c)(3) of the Code and the intended operation of the facilities to be financed and refinanced by the Series 2026/2027 Bonds as substantially related to the Foundation's charitable purpose under Section 513(a) of the Code. Such opinion is subject to a number of qualifications and limitations. Furthermore, Counsel to the Borrower cannot give and has not given any opinion or assurance about the future activities of the Borrower or the Foundation, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or changes in enforcement thereof by the Internal Revenue Service. Failure of the Foundation to be organized and operated in accordance with the Internal Revenue Service's requirements for the maintenance of its status as an organization described in Section

501(c)(3) of the Code, or of the Borrower to operate the facilities financed and refinanced by the Series 2026/2027 Bonds in a manner that is substantially related to the Foundation's charitable purpose under Section 513(a) of the Code, may result in interest payable with respect to the Series 2026/2027 Bonds being included in federal gross income, possibly from the date of the original issuance of the Series 2026/2027 Bonds.

Although Bond Counsel is of the opinion, that interest on the Series 2026 Bonds, and, subject to the satisfaction of certain conditions and to the occurrence of certain events described herein under the heading "FORWARD DELIVERY OF THE SERIES 2027 BONDS," interest on the Series 2027 Bonds, is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Series 2026/2027 Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2026/2027 Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2026/2027 Bonds. Prospective purchasers of the Series 2026/2027 Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is, for the Series 2026 Bonds, and is expected to be, for the Series 2027 Bonds, based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2026/2027 Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given and, for the Series 2027 Bonds, is not expected to give, any opinion or assurance about the future activities of the Issuer, the Borrower, the Foundation or The Regents, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Issuer, the Borrower and The Regents have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Series 2026 Bonds ends, and, for the Series 2027 Bonds, will end with the issuance of the Series 2026/2027 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer, The Regents, the Borrower or the Beneficial Owners regarding the tax-exempt status of the Series 2026/2027 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Issuer, The Regents, the Borrower, and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Issuer, The Regents or the Borrower legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2026/2027 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2026/2027 Bonds, and may cause the Issuer, the Borrower or the Beneficial Owners to incur significant expense.

Payments on the Series 2026/2027 Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of Series 2026/2027 Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Series 2026/2027 Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Series 2026/2027 Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

## UNDERWRITING

The Issuer is offering the Series 2026 Bonds through Barclays Capital Inc., as representative (the "Representative"), J.P. Morgan Securities LLC, Raymond James & Associates, Inc. and Stifel, Nicolaus & Company, Incorporated (collectively, the "Underwriters"), pursuant to a bond purchase agreement (the "2026 Bond Purchase Agreement") among the Issuer, the Borrower and the Representative, on behalf of the Underwriters, relating to the Series 2026 Bonds. The Underwriters have agreed to purchase the Series 2026 Bonds at a purchase price of $_________ (representing the aggregate principal amount of the Series 2026 Bonds[, plus a net original issue premium of $________], less an Underwriters' discount of $_________).

The Issuer is offering the Series 2027 Bonds through Barclays Capital Inc., as representative (the "Representative") and the other Underwriters pursuant to a bond purchase agreement (the "2027 Bond Purchase Agreement" and, together with the 2026 Bond Purchase Agreement, the "Bond Purchase Agreements") among the Issuer, the Borrower and the Representative, on behalf of the Underwriters, relating to the Series 2027 Bonds. The Underwriters have agreed to purchase the Series 2027 Bonds at a purchase price of $_________ (representing the aggregate principal amount of the Series 2027 Bonds[, plus a net original issue premium of $________], less an Underwriters' discount of $_________).

The Underwriters are purchasing the Series 2026/2027 Bonds and intend to offer the Series 2026/2027 Bonds to the original purchasers thereof at the offering prices set forth on the inside cover page of this Official Statement, which offering price may subsequently be changed without any requirement of prior notice. The Underwriters may offer and sell the Series 2026/2027 Bonds to certain dealers and others at a price lower than the initial offering price. The Bond Purchase Agreements provide that the Underwriters will purchase all of the applicable Series of the Series 2026/2027 Bonds if any are purchased and that the obligation to make such purchases is subject to certain terms and conditions set forth in the Bond Purchase Agreements, including a requirement (as a condition precedent to the effectiveness of the Bond Purchase Agreement) that the City of Irvine, California approve the Series 2026/2027 Bonds. The City of Irvine gave such approval on August 11, 2026. Delivery of the Series 2027 Bonds is also subject to the satisfaction of certain additional terms and conditions provided in the 2027 Bond Purchase Agreement as described under the heading "FORWARD DELIVERY OF THE SERIES 2027 BONDS" herein.

The Underwriters and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Issuer, the Borrower and/or The Regents. The Underwriters and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Issuer, the Borrower and/or The Regents.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Bonds, has entered into a negotiated dealer agreement (the "Dealer Agreement") with Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Dealer Agreement, CS&Co. will purchase Series 2026 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2026 Bonds that CS&Co. sells.

## FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend," "projection" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information in APPENDIX A—"THE PROJECT" and APPENDIX H—"MARKET ANALYSIS STUDY."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE BORROWER DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH FORWARD-LOOKING STATEMENTS ARE BASED OCCUR.

## INDEPENDENT ACCOUNTANTS

The financial statements of the Borrower for the fiscal years ended June 30, 2026 and 2025, appended hereto as Appendix B to this Official Statement, have been audited by Wilkins Miller, LLC ("Wilkins Miller"), independent certified public accountants. The related report of Wilkins Miller dated September 11, 2026 is also appended hereto. These financial statements should be read in their entirety.

## MUNICIPAL ADVISOR

PFM Financial Advisors LLC ("PFM") is serving as municipal advisor to the University with respect to the pricing and sale of the Series 2026/2027 Bonds. In its role as municipal advisor, PFM has not undertaken either to make an independent verification of or to assume responsibility for the accuracy or completeness of the information contained in this Official Statement and the appendices hereto. PFM is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing tax-exempt securities or other public securities.

## RATINGS

The Series 2026/2027 Bonds have been assigned an underlying long-term rating of "Baa1" with a stable outlook by Moody's Investors Service ("Moody's"). This rating expresses only the views of the rating agency providing such rating. Generally, a rating agency bases its rating and outlook (if any) on the information and materials furnished to it and on investigations, studies and assumptions of its own. The Borrower has furnished to Moody's information, including information not included in this Official Statement, about the Borrower, the Project and the Bonds. 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 by Moody's if, in the judgment of Moody's, circumstances so warrant. Those circumstances may include, among other things, changes in or unavailability of information relating to the Borrower, the Project and the Bonds. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price or marketability of the Series 2026/2027 Bonds.

The Insured Bonds of each Series are expected to be assigned a rating of "AA" by S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P"), at or prior to the issuance of the such Series of Insured Bonds with the understanding that, upon delivery of such Series of Insured Bonds, the applicable Policy will be issued by BAM. See "BOND INSURANCE" herein.

With respect to the Series 2027 Bonds, see also "FORWARD DELIVERY OF THE SERIES 2027 BONDS – Certain Considerations – Rating Risk" herein.

## LEGAL MATTERS

Legal matters incidental to the authorization and issuance of the Series 2026/2027 Bonds are subject to an approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, with respect to each Series, the forms of which are included as Appendix D attached hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. The legal fees to be paid Bond Counsel at the time each Series of

Series 2026/2027 Bonds is delivered, for services rendered in connection with the issuance of such Series of the Series 2026/2027 Bonds, are contingent upon the sale and delivery of such Series of the Series 2026/2027 Bonds.

Certain legal matters will be passed upon by Orrick, Herrington & Sutcliffe LLP, counsel to the Issuer; Nixon Peabody LLP, special counsel to The Regents; the Office of General Counsel, counsel to The Regents; Hand Arendall Harrison Sale LLC, counsel to the Borrower; Morgan, Lewis & Bockius LLP, counsel to the Developer and the Manager; and O'Melveny & Myers LLP, counsel to the Underwriters.

## CONTINUING DISCLOSURE

No financial or operating data concerning the Issuer is being included or incorporated by reference in this Official Statement, and the Issuer has not agreed to provide any such financial or operating data either currently or on an on-going basis. The Issuer has no continuing disclosure obligations in relation to the Series 2026/2027 Bonds.

A separate Continuing Disclosure Agreement (collectively referred to herein as the "Continuing Disclosure Agreement") will be executed for the Series 2026 Bonds and for the Series 2027 Bonds. The Borrower will agree in the Continuing Disclosure Agreement, for the benefit of the Owners and Beneficial Owners of the applicable Series of Bonds, to provide certain Periodic Reports and Annual Reports (each as defined in the Continuing Disclosure Agreement) and to provide notice of the occurrence of enumerated events to enable the Underwriters to comply with the continuing disclosure requirements of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"). Each Periodic Report, Annual Report and notices of such enumerated events will be filed with the Municipal Securities Rule Making Board through the Electronic Municipal Market Access ("EMMA") System. None of the Issuer, the University, The Regents or the Bond Trustee (except in its role as dissemination agent) will undertake any responsibility with respect to continuing disclosure under Rule 15c2-12. The Master Trustee has covenanted in the Financing Trust Agreement to cooperate with the Borrower and the Bond Trustee, as dissemination agent, with respect to the Series 2026/2027 Bonds to provide such information as they may reasonably request in order to meet the Borrower's continuing disclosure obligations under the Continuing Disclosure Agreement. The specific nature of the information to be contained in each Periodic Report, each Annual Report and in any notice of an enumerated event is summarized in APPENDIX E—"FORM OF CONTINUING DISCLOSURE AGREEMENT."

## SOURCES OF INFORMATION

Information about the Developer, the Manager and ACC in this Official Statement has been obtained from the Developer, the Manager and ACC. ACC files annual, quarterly and certain other reports with the SEC. Such reports are available on the SEC's website (www.sec.gov) and upon request from the Office of Public Reference of the SEC, 450 5th Street, NW, Room 1300, Washington, D.C. 20549-0102 (phone: (202) 942-8090; fax: (202) 628-9001; email: publicinfo@sec.gov). No such report is a part of or incorporated into this Official Statement.

Information about the University (including UCI) and The Regents in this Official Statement has been obtained from publicly available documents and from the University and The Regents. Additional information regarding the University (including UCI) and The Regents is available at www.uci.edu, www.universityofcalifornia.edu and www.ucop.edu. No such information is a part of or incorporated into this Official Statement.

Information about the Issuer included in this Official Statement under the headings "THE ISSUER" and "LITIGATION—The Issuer" has been obtained from the Issuer. None of the other information in this Official Statement has been supplied or verified by the Issuer and the Issuer makes no representation or warranty regarding such information.

Information about the Project in this Official Statement has been obtained from the Developer and the Manager.

Information about BAM and the Policy under the heading "BOND INSURANCE" and in APPENDIX I — "SPECIMEN MUNICIPAL BOND INSURANCE POLICY" has been obtained from BAM.

The information referred to in this section has been provided by the identified sources and neither the Borrower nor any other parties have independently verified such information.  No warranty that such information is accurate or complete should be inferred.

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## MISCELLANEOUS

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 or the beneficial owners of the Series 2026/2027 Bonds.

The Borrower has duly authorized the execution, delivery and distribution of this Official Statement in connection with the offering of the Series 2026/2027 Bonds.

**CHF–IRVINE, L.L.C.**,
an Alabama limited liability company

By: **COLLEGIATE HOUSING FOUNDATION**,
an Alabama non-profit corporation,
its sole member

By: ________________________________
William B. Givhan
President

## APPENDIX A

## THE PROJECT

**The Series 2026 Project**

*Description of the Series 2026 Project.*

The Series 2026 Project, to be known as “East Campus Apartments, Phase V, Series 2026” is intended to be, approximately, a 308-unit, 1,065-bed student housing facility and other related and appurtenant facilities situated on approximately 3.19 acres located on the UCI campus in Irvine, California. The Series 2026 Project is intended primarily for undergraduate students, with a preference for non-freshman students, and will also be available to graduate students. The Developer and UCI anticipate the Series 2026 Project will be complete in time for occupancy for Fall Quarter 2028.

The Series 2026 Project will be comprised of two split-level residential apartment buildings, each stepping from six to seven stories. totaling approximately 387,000 square feet. Each building will have one primary entry lobby, centrally located on the ground floor and leading directly to the building’s amenities. Building amenities will include a drop-off court and common areas throughout the apartment buildings, including study areas, furnished courtyards, bike storage and laundry facilities. The Series 2026 Project also has access to all other East Campus Apartments common areas and community spaces, including community centers, pools and other outdoor areas. See “Existing On-Campus Housing – *East Campus Apartments (The Project)*” below.

The Series 2026 Project will provide a mix of one-bed studios to four-bedroom units and will total approximately 273,000 net rentable square feet. The 308-unit residential community is expected to consist of the following (in each case, unit and square footage information is approximate): 174 four-bedroom, two-bath units (1,070 sq. ft.); 77 two-bedroom, two-bath units (760 sq. ft.); 2 two-bedroom, one-bath units (720 sq. ft.); 2 one-bedroom, one-bath units (520 sq. ft.) and 53 one-bed studios (475 sq. ft.).

All units will be fully furnished with a vanity area with a sink. Each student will have a private closet, full or twin sized bed, desk, chair and stackable dresser. Units will all have living space and kitchens containing the following: refrigerator, oven/stove, dishwasher, microwave, cabinets, sink, dining table and chairs or barstools, entertainment center, coffee table and soft seating commensurate to the number of beds in each of the respective units. All units will include individual heating and cooling and have connections for high-speed Internet access and cable television.

Rental rates for the Series 2026 Project are intended to be at or below comparable rental rates in the area. The anticipated rents (in 2026 dollars) range from approximately $11,112 to $22,812 per year per student (approximately $926 to $1,901 per bed, per month). All leases are expected to be subject to 12-month lease terms. Rental rates for the various accommodation types will differ based on factors including number of bedrooms, number of bathrooms and whether any shared occupancy is required. These rental rates may increase for various reasons, including if property taxes are assessed with respect to the Series 2026 Project. See “INVESTMENT CONSIDERATIONS – Property Tax Risk” in the Official Statement.

*Design of the Series 2026 Project.*

The Series 2026 Project is designed to be compatible with the scale, architectural character and color palette of the surrounding on- and off-campus residential neighborhoods. The buildings will feature conditioned interior corridors and a stepped massing, with six stories along Campus Drive and seven stories across the remainder of each building. In accordance with the campus architectural guidelines, the buildings have been designed to respond to the scale, character and context of the surrounding development. The location, massing and stepped building forms take into consideration the adjacent residential buildings and broader neighborhood context. The articulated building façades will incorporate variations in texture and color. Exterior materials will include a combination of plaster and metal panels, with deep earth tones contrasted by lighter earth tones. Architectural shading elements will also feature metal panels in complementary deep earth tones, reinforcing a cohesive design vocabulary consistent with the UCI Physical Design Framework.

The Series 2026 Project is expected to comply with the UC Sustainable Practices Policy (which policy guides sustainability efforts in a number of areas, including but not limited to climate protection, clean energy, green building and sustainable procurement). The Series 2026 Project is also designed with a goal toward achieving LEED Gold certification.

**Existing On-Campus Student Housing**

*General.*

On-campus student housing at UCI consists of (i) residence halls, theme houses and graduate/family apartments that are owned by the University and (ii) additional non-University-owned on-campus apartments. The non-University-owned on-campus housing consists of student residential communities that were developed through third-party, public-private partnerships and are referred to herein as the "East Campus Apartments." The University-owned residence halls, theme houses and graduate/family apartments are operated by UCI and are not part of the Project described herein and in the Official Statement. The East Campus Apartments (also referred to as the "Project") currently operating on-campus include the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project, described under "*East Campus Apartments (The Project)*" below and will include the Series 2026 Project upon completion. The Project is operated by the Manager (as defined in the Official Statement).

Although UCI does not require any of its students to live on campus, it typically offers guaranteed housing to (i) incoming freshmen and transfer students for their first two years at UCI (an "Undergraduate Guarantee") and (ii) incoming doctoral, J.D., and M.F.A. students for the normative time to degree for their program (a "Graduate Guarantee"). For those not under a housing guarantee program, on-campus student housing is typically assigned on a first-come, first-served basis. As the third-party on-campus student housing inventory has increased at UCI, more spaces have become available for such non-guaranteed students.

UCI oversees leasing of residence hall spaces to incoming freshman housing applicants; such applicants are generally not eligible for the other on-campus housing options discussed below. UCI allocates residence hall spaces with a preference toward freshman students who have been offered the Undergraduate Guarantee, if applicable.

Students with an Undergraduate Guarantee or a Graduate Guarantee must submit a UCI housing application in order to receive a guaranteed housing offer, regardless of whether they desire to reside in University-owned housing or the East Campus Apartment communities described herein. Other undergraduate students, single graduate students and students with families may apply to UCI and/or directly to East Campus Apartment communities, and many students submit both applications.

UCI and the Manager work together to coordinate housing offers for students, focusing on meeting such guaranteed housing obligations and then offering housing to as many other students on the waitlists as possible.

*University-Owned Housing.*

<u>Undergraduate (Primarily Freshman) Residence Halls.</u> Two University-owned residential communities on the UCI campus, known as "Mesa Court" and "Middle Earth," are comprised of residence halls focused on serving freshman students in a dormitory environment. Although available primarily for freshmen, such communities also house other undergraduate students based on availability. Such residential communities generally are not available to single graduate students and are not an option for students with families.

For Fall Quarter 2025, the available beds in Mesa Court and Middle Earth were 3,455 and 2,427, respectively, for a total of 5,882 available beds. (Pursuant to a project referred to as "Mesa Court Phase 7," UCI recently increased the Mesa Court community by approximately 424 additional available beds. The project was completed in time for occupancy for Fall Quarter 2025.) The combined occupancy rate for Mesa Court and Middle Earth for Fall Quarter

2025 (including the new available beds in Mesa Court) was approximately ninety-eight percent (98%). The combined occupancy rate for these residence halls for each of Fall Quarters 2021 through 2024 (in each case, excluding such new available beds) was approximately ninety-nine percent (99%).

Available bed and other information with respect to the residence halls for Academic Year 2025-26 is presented in Table 1 below. For Fall Quarter 2026, UCI expects a combined occupancy rate for Mesa Court and Middle Earth of approximately ninety-nine percent (99%).

**Table 1**

**UNIVERSITY-OWNED UNDERGRADUATE (PRIMARILY FRESHMAN) RESIDENCE HALLS – ACADEMIC YEAR 2026-27**

| Facility | No. of Beds[(1)] | Cost/Academic Year[(2)] | Students Housed | Year Opened |
|---|---|---|---|---|
| Mesa Court | 3,455 | $21,255 | Undergraduate | 1965 |
| Middle Earth | 2,427 | $21,255 | Undergraduate | 1974 |
| Total | 5,882 | | | |

(1) Fall Quarter 2026.
(2) Per student, assuming double occupancy and including a basic meal plan.

Undergraduate Theme Houses. In addition, the University owns a residential community comprised of theme houses, which is known as "Arroyo Vista." Arroyo Vista consists of 42 houses, with each house ranging in size from 16 to 32 beds. Arroyo Vista seeks to provide unique on-campus experiences for residents by focusing on either an academic interest (such as campus-wide honors) or identity theme for each such house (such as outdoor adventure). Arroyo Vista is intended primarily for undergraduate (non-freshman) students, though it also serves as "overflow" housing for freshman students when needed.

For Fall Quarter 2025, the available beds in Arroyo Vista totaled 1,050 and the occupancy rate was approximately ninety-eight percent (98%). The occupancy rate for Arroyo Vista for each of Fall Quarters 2021 through 2024 was approximately ninety-nine percent (99%).

Available bed and other information with respect to the theme houses for Academic Year 2026-27 is presented in Table 2 below. For Fall Quarter 2026, UCI expects the occupancy rate for Arroyo Vista to be approximately ninety-nine percent (99%).

**Table 2**

**UNIVERSITY-OWNED UNDERGRADUATE (NON-FRESHMAN) RESIDENTIAL COMMUNITY – ACADEMIC YEAR 2026-27**

| Facility | No. of Beds[(1)] | Cost/Month[(2)] | Students Housed | Year Opened |
|---|---|---|---|---|
| Arroyo Vista | 1,046 | $1,019 | Undergraduate | 1993 |

(1) Fall Quarter 2026.
(2) Per month, per bed. Students enter into 9-month leases, generally commencing in September of each academic year.

Graduate and Family Housing. The University also owns and operates three on-campus residential communities, known as "Verano Place," "Campus Village" and "Palo Verde," that serve as the principal on-campus housing options for students with families and single graduate students. (Pursuant to a project referred to as "Verano Place 8 Graduate Housing Expansion," UCI recently increased the Verano Place community by approximately 425 additional units (intended for single graduate students). The additional units were completed in time for occupancy for Fall Quarter 2022.) For Fall Quarter 2025, the available units in each community were 1,277 (Verano Place), 200 (Campus Village) and 652 (Palo Verde), for a total of 2,129 units. The combined occupancy rate for Fall Quarter 2025 for these communities was approximately ninety-seven percent (97%). The combined occupancy rates for Fall Quarters 2021 through 2024 were approximately as follows (including the new units in Verano Place, except Fall Quarter 2021): ninety-seven percent (97%) for 2024, ninety-eight percent (98%) for 2023, ninety-four percent (94%) for 2022 and ninety-eight percent (98%) for 2021.

Available bed and other information with respect to these communities for students with families and single graduate students for Academic Year 2026-27 is presented in Table 3 below. For Fall Quarter 2026, UCI expects the combined occupancy rate for these communities to be approximately ninety-four percent (94%).

**Table 3**

**UNIVERSITY-OWNED APARTMENT COMMUNITIES FOR STUDENTS WITH FAMILIES AND SINGLE GRADUATE STUDENTS – ACADEMIC YEAR 2026-27**

| Facility | No. of Units(1)(2) | Cost/Month(3) | Students Housed | Year Opened |
|---|---|---|---|---|
| Verano Place | 1,277 | \$1,251-\$2,154 | Graduate/Families | 1966 |
| Campus Village | 200 | \$1,988 | Graduate/Families | 1980 |
| Palo Verde | 652 | \$1,084-\$2,676 | Graduate/Families | 1990 |
| Total | 2,129 | | | |

(1) Fall Quarter 2026.

(2) As of Fall Quarter 2026, the number of available beds in Verano Place totaled 2,082. In Campus Village, the number of available beds totaled 351. In Palo Verde, the number of available beds totaled 927.

(3) Per month, per unit for units that range from efficiency to four-bedrooms (other than Campus Village, which consists entirely of two-bedroom units). Students enter into leases of up to 12 months in duration, all of which terminate on June 30 regardless of duration. Single graduate students' cost per month, per bed are: from \$429 to \$872 (Verano Place), \$855 (Campus Village) and from \$672 to \$1,241 (Palo Verde).

*East Campus Apartments (The Project).*

In addition to the University-owned housing described under "*University-Owned Housing*" above, there are several privately-owned and privately-managed (non-UCI) residential communities located on the UCI campus. Such communities operate in partnership with UCI, but such communities currently maintain their own staff, programs and buildings and are operated by the Manager (see "THE MANAGER" in the Official Statement). All of these communities operate under separate ground leases between the individual project owner (in each case, the Borrower described in the Official Statement) and UCI. (See "THE 2026 GROUND LEASE" in the Official Statement.) The Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project and the Series 2021 Project (each of which existing communities is described in more detail below) and the Series 2026 Project (described above under "The Series 2026 Project") comprise the Project described herein and in the Official Statement and are also referred to, collectively, as the "East Campus Apartments."

Table 4 below provides a general overview of the existing communities in the Project, also referred to as the "East Campus Apartments," for Academic Year 2026-27. These privately-owned residential communities are available to both undergraduate (non-freshman) students and single graduate students but such communities are generally not an option for students with families.

**Table 4**

**EXISTING EAST CAMPUS APARTMENTS**

| Project | Facility | No. of Beds | Students Housed | Year Opened |
|---|---|---|---|---|
| Series 2004 | Vista del Campo Norte | 1,564 | Undergraduate/Graduate | 2006 |
| Series 2008 | Camino del Sol | 1,198 | Undergraduate/Graduate | 2010 |
| Series 2008 | Puerta del Sol | 913 | Undergraduate/Graduate | 2010 |
| Series 2011 | Vista del Campo | 1,488 | Undergraduate/Graduate | 2004 |
| Series 2017 | Plaza Verde | 1,441 | Undergraduate/Graduate | 2019 |
| Series 2021 | Plaza Verde II | 1,077 | Undergraduate/Graduate | 2023 |
| Total | | 7,681 | | |

The Series 2004 Project. The Series 2004 Project, Vista del Campo Norte (also known as "East Campus Student Apartments, Phase II"), is a 545-unit, approximately 1,564-bed student housing facility, situated on approximately 24 acres located on the UCI campus in Irvine, California. The Series 2004 Project was completed in 2006.

The Series 2004 Project consists of 12 garden-style apartment residential buildings, an approximately 4,600 square foot community center (which includes an office, a classroom, a kitchen/lounge, four study/meeting rooms, restrooms and a business center with computer facilities), an approximately 11,700 square foot additional community center (which includes a reception area, a conference room, a computer lab, a fitness room, managerial and accounting offices, a laundry room, a dining room, public restrooms and a storage area), four common area lounges and laundry facilities within different apartment buildings (in the buildings that do not include in-unit washer and dryers), and an approximately 2,800 square foot maintenance building. Outside amenities include a swimming pool, a spa, an area to accommodate volleyball, courtyards, a neighborhood park, a social garden area and various gathering areas that can accommodate benches, bike racks and picnic tables. The Series 2004 Project has approximately 1,331 parking spaces, with 29 accessible handicap spaces. Additionally, the Series 2004 Project includes approximately 480 bicycle parking spaces.

The Series 2004 Project provides a mix of one- to three-bedroom units and totals approximately 352,162 net rentable square feet. The residential community consists of the following (in each case, unit and square footage information is approximate): 237 three-bedroom, two-bath units (2 single / 1 double bedroom) (994 sq. ft.); 97 three-bedroom, two-bath units (all private bedrooms) (834 or 848 sq. ft.); 114 two-bedroom, two-bath units (778 sq. ft.) and 97 one-bedroom, one-bath units (497 sq. ft.).

All units are fully furnished with a cushioned couch, side chair, coffee table, end table and entertainment center and have central air conditioning. All units have full kitchens, including a microwave, refrigerator and freezer, dishwasher, stove/oven, garbage disposal and built-in kitchenette table with stools in the living area. Each bedroom contains an extra length bed with headboard, dresser, desk and desk chair and connections for high-speed Internet access, telephone and cable television.

The Series 2008 Project. The Series 2008 Project (known as the "East Campus Student Apartments, Phase III, Series 2008") is a 720-unit, approximately 2,111-bed student housing facility, situated on approximately 18 acres located on the UCI campus in Irvine, California. The Series 2008 Project is composed of two separate communities, also known as Puerta del Sol and Camino del Sol. The Series 2008 Project was completed in 2010.

The Series 2008 Project consists of apartment and townhome-style residential buildings, related parking facilities, an approximately 4,254 square foot community center (which includes an office, a kitchen/lounge, three study/meetings rooms, restrooms and a business center with computer facilities), an approximately 10,317 square foot additional community center (which includes a reception area, a conference room, a computer lab, a fitness room, managerial and accounting offices, six study rooms, public restrooms and a storage area), six study areas, three laundry facilities and an approximately 3,919 square foot maintenance building. The Series 2008 Project's parking facilities (the "Series 2008 Parking System") consist of certain surface parking spaces and available parking spaces in a seven story parking structure, except for the right to use 361 parking spaces (constituting the UCI Parking System Portion) that, together with all revenues derived therefrom, is excluded from the Trust Estate and is for the sole use of UCI to replace 361 parking spaces taken from UCI to construct the Series 2008 Project. Outside amenities include a swimming pool, a spa, an area to accommodate volleyball, courtyards, a neighborhood park, a social garden area and various gathering areas that can accommodate benches, bike racks and picnic tables.

The Series 2008 Parking System consists of approximately 1,454 garage parking spaces (including 78 handicap accessible garage parking spaces) and 143 surface parking spaces (including 14 handicap accessible parking spaces), for a total of approximately 1,597 parking spaces. Additionally, the Series 2008 Project includes approximately 314 bicycle parking spaces.

Puerta del Sol provides a mix of one-bed efficiency to two-bedroom units and totals approximately 230,000 net rentable square feet. The 389-unit residential community consists of the following (in each case, unit and square footage information is approximate): 176 two-bedroom, two-bath double occupancy units (785 sq. ft.); 64 one-bedroom, one-bath units (529 or 536 sq. ft.); 62 studios (436 sq. ft.) and 87 one-bed efficiencies (347 sq. ft.).

Camino del Sol provides a mix of two-bedroom to four-bedroom units and totals approximately 440,000 net rentable square feet. The 331-unit residential community consists of the following (in each case, unit and square footage information is approximate): 98 four-bedroom, four and a half bath units (1,499 sq. ft.); 151 four-bedroom, two and a half bath units (1,190 to 1,423 sq. ft.); 38 three-bedroom, three-bath units (1,118 sq. ft.) and 44 two-bedroom, two and a half bath units (924 sq. ft.).

All units are fully furnished with soft seating, a coffee table, end-table and entertainment center. All units (except for the efficiencies and studios) have full kitchens, including a microwave, refrigerator and freezer, dishwasher, stove/oven, garbage disposal and built-in kitchenette table with stools in the living area. The efficiencies and studios have kitchenettes. Each bedroom contains an extra length bed with headboard, dresser, desk and desk chair and connections for high-speed Internet access and cable television. All units have central air conditioning, cable television and telephone connections in the living rooms. All units either include washers and dryers or have access to central laundry facilities.

The Series 2011 Project. The Series 2011 Project, Vista del Campo (also known as "East Campus Student Apartments, Phase I"), is a 488-unit, approximately 1,488-bed student housing facility, situated on approximately 28 acres located on the UCI campus in Irvine, California. The Series 2011 Project was completed in 2004 and was acquired by the Borrower (as defined in the Official Statement) in 2011.

The Series 2011 Project consists of 42 apartment residential buildings, approximately 18,600 square feet of community space, which includes a reception area, social lounge, meeting room with fireplace, 10-station computer room, e-mail terminals, academic center with private rooms, a 40-seat mini-theater, arcade areas, managerial and accounting offices, community assistance workspace, laundry facilities, community kitchen, public restrooms and storage, and maintenance facilities. Outside amenities include a swimming pool, sand volleyball courts, a half-court basketball/tennis "sport court," an outdoor carwash and various passive gathering areas that can accommodate benches or picnic tables. The Series 2011 Project also includes, approximately, 1,197 surface parking spaces (including 22 handicap accessible parking spaces).

The Series 2011 Project provides a mix of one- to four-bedroom units and totals approximately 480,000 net rentable square feet. The residential community consists of the following (in each case, unit and square footage information is approximate): 216 four-bedroom, two-bath units (1,147 sq. ft.); 120 three-bedroom, two-bath units (1,016 sq. ft.); 112 two-bedroom, two-bath units (762 or 794 sq. ft.) and 40 one-bedroom, one-bath units (550 or 590 sq. ft.).

All unit types are fully furnished with a cushioned couch, side chair, coffee table, end table, entertainment center, microwave, refrigerator with freezer, dishwasher, stove/oven and built-in kitchenette table with stools in the living area. Each bedroom contains a full-sized bed with headboard, dresser, desk and desk chair and connections for high-speed Internet access, telephone and cable television. All of the units have private bedroom accommodations. All units also have central air conditioning and cable television, as well as data and telephone outlets in the living rooms.

The Series 2017 Project. The Series 2017 Project, Plaza Verde (also known as "East Campus Apartments, Phase IV-A, Series 2017"), is a 410-unit, approximately 1,441-bed student housing facility, situated on approximately 8.8 acres located on the UCI campus in Irvine, California. The Series 2017 Project was completed in 2019.

The Series 2017 Project consists of an approximately 569,000 square-foot five-story apartment residential building, including community space and support facilities. The community space includes an academic center with study and meeting rooms, a fitness center, leasing offices (serving the entire Project), and a mail center. Outdoor recreation spaces include seating and outdoor dining areas and green space for student use.

The Series 2017 Project also includes a five-story parking structure with approximately 530 vehicle spaces. The parking structure includes an approximately 3,000 gross-square-foot maintenance shed and a covered approximately 768 space bicycle parking facility.

The Series 2017 Project provides a mix of one-bedroom to four-bedroom units and totals approximately 420,000 net rentable square feet. The residential community consists of the following (in each case, unit and square footage information is approximate): 21 four-bedroom, four-bath units (1,402 sq. ft.); 107 four-bedroom, two-bath units (1,192 sq. ft.); 234 two-bedroom, two-bath units in a mix of double and single occupancy (781 to 1,165 sq. ft.) and 48 one-bedroom, one-bath units in a mix of double and single occupancy (576 or 623 sq. ft.).

All units are fully furnished. Each student has a closet, private vanity area with sink, full or twin sized bed, desk chair and stackable dresser. Students have a private telephone jack, data hook-up and cable connection in their bedrooms. Units all have living space and kitchens containing the following: refrigerator, oven/stove, dishwasher, microwave, cabinets, sink, dining table and chairs or barstools, entertainment center, coffee table and soft seating to accommodate the number of beds. All units include central air conditioning and have connections for high-speed Internet access and cable television.

The Series 2021 Project. The Series 2021 Project, known as "East Campus Apartments, Phase IV-B, Series 2021" is, approximately, a 295-unit, 1,077-bed student housing facility and other related and appurtenant facilities situated on approximately 4.2 acres located on the UCI campus in Irvine, California. The Series 2021 Project is intended primarily for undergraduate (non-freshman) students and is also available to graduate students. The Series 2021 Project was completed in 2023.

The Series 2021 Project is comprised of four five-story apartment residential buildings, totaling approximately 386,000 square feet. Each building has a central area featuring a lobby, social lounge, study room, laundry facility, a fifth-floor lounge/gathering space and secured bike storage. The Series 2021 Project shares the existing amenities of the Series 2017 Project (described above), such as a maintenance shop, fitness center, leasing offices, student study and meeting spaces, mail/package rooms and data infrastructure and a bike and vehicular parking facility, all built as part of the Series 2017 Project and intended to be operated in support of both the Series 2017 Project and Series 2021 Project, and also has access to all other East Campus Apartments common areas and community spaces, including community centers, pools and other outdoor areas.

The Series 2021 Project provides a mix of one-bed efficiency to four-bedroom units and totals approximately 276,983 net rentable square feet. The 295-unit residential community consists of the following (in each case, unit and square footage information is approximate): 125 four-bedroom, two-bath units (1,176 sq. ft.); 134 two-bedroom, two-bath units (820 or 828 sq. ft.); 28 one-bedroom, one-bath units (575 sq. ft.) and 8 one-bed efficiencies (384 sq. ft.).

All units are fully furnished. Each student has a closet, private vanity area (shared in four-bedroom units) with a sink, full or twin sized bed, desk chair and stackable dresser. Students have a TV cable connection in the living room and data connection in their bedrooms. Units all have living space and kitchens containing the following: refrigerator, oven/stove, dishwasher, microwave, cabinets, sink, dining table and chairs or barstools, entertainment center, coffee table and soft seating to accommodate the number of beds. All units include individual air conditioning and have connections for high-speed Internet access and cable television.

Occupancy and Rental Rate Information.

Table 5 below sets forth five years of occupancy rates (calculated based on number of beds) at each of the existing East Campus Apartments for the Fall Quarter of the applicable academic year.

**Table 5**

**OCCUPANCY RATES (%) – FALL QUARTER[(1)]**

| Facility | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27[(2)] |
|---|---|---|---|---|---|
| Vista del Campo Norte | 99.55 | 99.23 | 99.42 | 99.87 | 100.00 |
| Camino del Sol | 99.58 | 99.75 | 99.08 | 100.00 | 100.00 |
| Puerta del Sol | 98.80 | 99.02 | 99.02 | 98.79 | 100.00 |
| Vista del Campo | 99.66 | 99.73 | 99.46 | 99.93 | 100.00 |
| Plaza Verde | 100.00 | 99.86 | 99.44 | 99.79 | 100.00 |
| Plaza Verde II | N/A | 100.00 | 99.54 | 99.91 | 100.00 |

(1) Depicts approximate occupancy percentage at each of the existing facilities of the East Campus Apartment communities for Fall Quarter for each academic year. For Winter and Spring Quarters of each academic year, occupancy tends to decrease slightly due to, among other reasons, student attrition, relocations and mid-year graduations.
(2) Manager's projected leasing estimates. Fall Quarter 2026 information remains to be finalized.

Table 6 below sets forth five academic years of rental rate information for the existing East Campus Apartments. Such information is presented on a per bed, per month basis. Students enter into 12-month leases, typically commencing in September. Rental rates in a particular community vary based on the number of bedrooms per unit, the number of beds per bedroom and the number of bathrooms per unit.

**Table 6**

**BED COST PER MONTH**

| Facility | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|---|---|---|---|---|---|
| Vista del Campo Norte | $820-$1,660 | $850-$1,715 | $884-$1,784 | $913-$1,842 | $940-$1,897 |
| Camino del Sol | $1,029-$1,368 | $1,061-$1,406 | $1,103-$1,462 | $1,139-$1,510 | $1,173-$1,555 |
| Puerta del Sol | $745-$1,695 | $768-$1,740 | $799-$1,810 | $825-$1,869 | $850-$1,925 |
| Vista del Campo | $1,004-$1,660 | $1,036-$1,725 | $1,077-$1,794 | $1,112-$1,852 | $1,145-$1,908 |
| Plaza Verde | $855-$1,775 | $885-$1,820 | $920-$1,893 | $950-$1,955 | $979-$2,014 |
| Plaza Verde II | N/A | $651-$1,643 | $819-$1,697 | $846-$1,752 | $871-$1,805 |

**Historical Cash Flow for East Campus Apartments**

Set forth below is the historical cash flow information with respect to the existing communities in the Project for the past five fiscal years ended June 30.

Important information regarding the financial condition of the Borrower is also set forth in APPENDIX B—"FINANCIAL STATEMENTS OF THE BORROWER FOR THE YEARS ENDED JUNE 30, 2026 AND 2025" attached hereto, which prospective investors should read in its entirety.

**Table 7**

**HISTORICAL CASH FLOW FOR EXISTING EAST CAMPUS APARTMENTS[(1)]**

| | FISCAL YEAR ENDED | | | | |
|---|---|---|---|---|---|
| | 06/30/22 | 06/30/23 | 06/30/24[(2)] | 06/30/25 | 06/30/26 |
| Revenue | $ 73,948,788 | $ 84,144,687 | $ 100,661,988 | $ 108,637,931 | $ 110,858,521 |
| Less: Expenses | (22,770,856) | (24,781,695) | (29,435,096) | (31,625,825) | (31,385,268) |
| Revenues Less Expenses | $ 51,177,932 | $ 59,362,992 | $ 71,226,892 | $ 77,012,106 | $ 79,473,253 |
| Less: Deposits for Repairs and Replacements | (1,934,664) | (2,043,364) | (2,240,912) | (2,382,420) | (2,399,530) |
| Revenue Available for Fixed Charges | $ 49,243,268 | $ 57,319,628 | $ 68,985,980 | $ 74,629,686 | $ 77,073,723 |
| Fixed Charges | $ 31,507,633 | $ 36,645,000 | $ 39,402,502 | $ 35,746,893 | $ 38,937,300 |
| Fixed Charges Coverage Ratio | 1.56 | 1.56 | 1.75 | 2.09 | 1.98 |

(1) Source: Manager.

(2) Plaza Verde II (the Series 2021 Project) opened in fiscal year 2024 and interest on the Series 2021 Bonds was capitalized through and including a portion of fiscal year 2024.

**East Campus Apartments Pro-Forma**

Set forth below is pro-forma projected financial information with respect to the Project, also referred to herein as the "East Campus Apartments," for the next five fiscal years ending June 30. The Project pro-forma provided below has been prepared by, and is the responsibility of, the Manager.

**Table 8**

**EAST CAMPUS APARTMENTS PRO-FORMA** [1]

| | FISCAL YEAR ENDING | | | | |
|---|---|---|---|---|---|
| | **06/30/27** | **06/30/28** | **06/30/29** | **06/30/30** | **06/30/31** |
| Revenue | $ 112,502,455 | $ 115,877,528 | $ 134,939,369 | $ 138,987,550 | $ 143,157,176 |
| Less: Expenses | (32,595,048) | (33,535,916) | (38,895,491) | (40,146,849) | (41,436,823) |
| Revenues Less Expenses | $ 79,907,407 | $ 82,341,613 | $ 96,043,878 | $ 98,840,701 | $ 101,720,353 |
| Less: Deposits for Repairs and Replacements | (2,612,880) | (2,691,266) | (2,958,379) | (3,047,131) | (3,138,545) |
| Revenue Available for Fixed Charges | $ 77,294,527 | $ 79,650,346 | $ 93,085,498 | $ 95,793,570 | $ 98,581,808 |
| Fixed Charges[2] | 38,725,572 | 40,559,425 | 43,943,131 | 52,465,039 | 53,299,289 |
| Fixed Charges Coverage Ratio | 2.00 | 1.96 | 2.12 | 1.83 | 1.85 |

[1] Amounts may not add due to rounding. Operating assumptions (Revenues and Expenses) based upon Manager pro-forma assumptions for the Project.

[2] Fixed Charges is adjusted for capitalized interest on a portion of the Series 2026 Bonds through fiscal year 2029.

# APPENDIX B

## FINANCIAL STATEMENTS OF THE BORROWER
## FOR THE FISCAL YEARS ENDED JUNE 30, 2026 AND 2025

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WilkinsMiller

**CHF - IRVINE, L.L.C.**
**(A SUBSIDIARY OF COLLEGIATE HOUSING FOUNDATION)**

**FINANCIAL STATEMENTS**
**AND**
**SUPPLEMENTARY INFORMATION**
**FOR THE YEARS ENDED**
**JUNE 30, 2026 AND 2025**

# CHF - IRVINE, L.L.C.

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# INDEPENDENT AUDITORS' REPORT

The Board of Directors of Collegiate Housing Foundation
CHF - Irvine, L.L.C.
(a subsidiary of Collegiate Housing Foundation)
Fairhope, Alabama

## Opinion

We have audited the accompanying financial statements of CHF - Irvine, L.L.C. (a non-profit organization) (the Company), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CHF - Irvine, L.L.C. as of June 30, 2026 and 2025, and the changes in its net assets (deficit) and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

## Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CHF - Irvine, L.L.C. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CHF - Irvine, L.L.C.'s ability to continue as a going concern within one year after the date that the financial statements are issued.

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CHF - Irvine, L.L.C.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CHF - Irvine, L.L.C.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Wilkins Miller, LLC

Mobile, Alabama
September 11, 2026

# CHF - IRVINE, L.L.C.
## (A SUBSIDIARY OF COLLEGIATE HOUSING FOUNDATION)

## STATEMENTS OF FINANCIAL POSITION

| | June 30 2026 | June 30 2025 |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 11,099,025 | $ 2,538,994 |
| Cash reserved for security deposits | 380,882 | 1,772,400 |
| Bond reserves | 114,784,282 | 121,845,582 |
| Accounts and other receivables, net | 887,688 | 852,478 |
| Prepaid expenses and other assets | 3,058,914 | 4,079,885 |
| Construction in progress | - | 600 |
| Property and equipment, net | 406,097,033 | 429,082,846 |
| Right-of-use asset - operating | 63,151,726 | 66,098,828 |
| | $ 599,459,550 | $ 626,271,613 |
| **LIABILITIES AND NET ASSETS (DEFICIT)** | | |
| Liabilities | | |
| Accounts payable and other accrued liabilities | $ 4,884,887 | $ 6,383,645 |
| Due to management company and related entity | 3,318,476 | 8,391,624 |
| Unearned rental income | 10,224,104 | 9,487,396 |
| Construction payable | 432,523 | 1,845,424 |
| Security deposits | 311,700 | 1,654,688 |
| Accrued interest payable | 2,889,225 | 2,983,414 |
| Ground lease payable | 24,925,980 | 24,073,058 |
| Operating lease liability | 67,957,808 | 71,163,068 |
| Tax-exempt bonds payable, net | 548,692,670 | 568,563,933 |
| Total liabilities | 663,637,373 | 694,546,250 |
| Net assets (deficit) without donor restrictions | (64,177,823) | (68,274,637) |
| | $ 599,459,550 | $ 626,271,613 |

*See accompanying notes to financial statements*

# CHF - IRVINE, L.L.C.
### (A SUBSIDIARY OF COLLEGIATE HOUSING FOUNDATION)

## STATEMENTS OF ACTIVITIES

| | Year Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Revenues | | |
| Rental | $ 104,429,973 | $ 101,298,627 |
| Investment | 4,932,244 | 5,751,035 |
| Other | 1,496,304 | 1,588,269 |
| Total revenues | 110,858,521 | 108,637,931 |
| Expenses | | |
| Program expenses | | |
| Depreciation | 27,071,707 | 26,731,288 |
| Ground lease interest and amortization | 4,695,841 | 4,695,841 |
| Ground lease - base rent upward adjustments | 5,646,172 | 5,028,867 |
| Ground lease - additional rent | 14,325,809 | 14,090,190 |
| Insurance | 4,949,102 | 5,891,110 |
| Interest | 18,971,848 | 19,421,465 |
| Rebate - arbitrage | 335,304 | 369,783 |
| Repairs and maintenance | 6,041,877 | 6,264,825 |
| Salaries and wages | 9,053,662 | 8,443,337 |
| Security | 869,556 | 840,155 |
| Shuttle | 1,954,067 | 1,873,249 |
| Telephone | 86,858 | 109,358 |
| Utilities | 5,774,779 | 5,457,375 |
| Total program expenses | 99,776,582 | 99,216,843 |
| Management and general expenses | | |
| Advertising and promotion | 162,144 | 149,157 |
| Administrative | 975,638 | 1,211,019 |
| Management fees | 4,208,619 | 4,067,162 |
| Membership fees | 1,180,453 | 1,162,149 |
| Professional fees | 458,271 | 345,266 |
| Total management and general expenses | 6,985,125 | 6,934,753 |
| Total expenses | 106,761,707 | 106,151,596 |
| Change in net assets (deficit) | 4,096,814 | 2,486,335 |
| Net assets (deficit) without donor restrictions | | |
| Beginning of year | (68,274,637) | (70,760,972) |
| End of year | $ (64,177,823) | $ (68,274,637) |

*See accompanying notes to financial statements*

## CHF - IRVINE, L.L.C.
**(A SUBSIDIARY OF COLLEGIATE HOUSING FOUNDATION)**

## STATEMENTS OF CASH FLOWS

| | Year Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Operating activities | | |
| Change in net assets (deficit) | $ 4,096,814 | $ 2,486,335 |
| Adjustments to reconcile change in net assets (deficit) to net cash provided by operating activities: | | |
| Depreciation | 27,071,707 | 26,731,288 |
| Amortization of bond premium | (5,220,257) | (5,499,124) |
| Amortization of debt issuance costs | 418,994 | 427,945 |
| Ground lease amortization | 2,947,102 | 2,869,030 |
| Provision for credit losses | 235 | 196,110 |
| Decrease (increase) in: | | |
| Accounts and other receivables | (35,445) | (225,231) |
| Prepaid expenses and other assets | 1,020,971 | 542,437 |
| Increase (decrease) in: | | |
| Accounts payable and other accrued liabilities | (1,498,758) | 2,237,101 |
| Due to management company and related entity | (5,073,148) | 5,487,984 |
| Unearned rental income | 736,708 | (115,563) |
| Security deposits | (1,342,988) | (1,709,412) |
| Accrued interest payable | (94,189) | (86,906) |
| Ground lease payable | 852,922 | (595,995) |
| Operating lease liability | (3,205,260) | (3,127,189) |
| Total adjustments | 16,578,594 | 27,132,475 |
| Net cash provided by operating activities | 20,675,408 | 29,618,810 |
| Investing activities | | |
| Payments for property and equipment | (5,498,195) | (4,847,899) |
| Proceeds from maturity of guaranteed investment contract | 20,331,650 | - |
| Net cash provided by (used in) investing activities | 14,833,455 | (4,847,899) |

(continued)

## CHF - IRVINE, L.L.C.
### (A SUBSIDIARY OF COLLEGIATE HOUSING FOUNDATION)

## STATEMENTS OF CASH FLOWS (CONTINUED)

| | Year Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Financing activities | | |
| Payments on tax-exempt bonds | (15,070,000) | (14,245,000) |
| Net cash used in financing activities | (15,070,000) | (14,245,000) |
| Net increase in cash and cash equivalents | 20,438,863 | 10,525,911 |
| Cash and cash equivalents | | |
| Beginning of year | 83,903,226 | 73,377,315 |
| End of year | $ 104,342,089 | $ 83,903,226 |
| Reconciliation of cash to the statements of financial position: | | |
| Cash and cash equivalents | $ 11,099,025 | $ 2,538,994 |
| Cash reserved for security deposits | 380,882 | 1,772,400 |
| Bond reserves | 114,784,282 | 121,845,582 |
| Less: Bond reserves invested in guaranteed investment contracts | (21,922,100) | (42,253,750) |
| | $ 104,342,089 | $ 83,903,226 |
| Supplemental disclosure of cash flow information: | | |
| Interest paid | $ 23,867,300 | $ 24,579,550 |

*See accompanying notes to financial statements*

# CHF - IRVINE, L.L.C.
**(A SUBSIDIARY OF COLLEGIATE HOUSING FOUNDATION)**

## NOTES TO FINANCIAL STATEMENTS
## JUNE 30, 2026 AND 2025

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

<u>Organization and nature of operations</u>

CHF - Irvine, L.L.C. (the Company) is a subsidiary of Collegiate Housing Foundation (the Foundation) which owns and operates a 1,488-bed student housing facility (Phase I), a 1,564-bed student housing facility (Phase II), a 2,111-bed student housing facility with a 1,930-space parking facility (Phase III), a 1,441-bed student housing facility with a 530-space parking facility (Phase IV-A), and a 1,077-bed student housing facility (Phase IV-B). The housing facilities are located in the town of Irvine, California on the campus of the University of California - Irvine (the University). The housing facilities are operated under a management agreement between the Company and ACC SC Management (California), LP. The accompanying statements include only the accounts of the Company.

The Foundation is a non-profit corporation formed in 1996 under the laws of the State of Alabama. The Foundation is also an organization that is exempt from federal income tax pursuant to code section 501(c)(3) of the Internal Revenue Code. The Foundation was organized and is operated for the purpose of providing housing facilities primarily for students at colleges and universities in the United States.

The Company has entered into loan agreements with the California Statewide Communities Development Authority (the Issuer). The underlying property on which the housing facilities are located is leased to the Company under a ground lease with The Regents of the University of California (the Regents). When the financing is paid in full the Company's interest in the housing facilities and the underlying property will be conveyed to the Regents or its successor. The Company is a separate legal entity whose assets and credit are not available to satisfy debt of the Foundation, other subsidiaries of the Foundation, the University, the Regents or any other entity.

<u>Basis of accounting</u>

The accompanying financial statements are prepared using the accrual basis of accounting.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease accounting policy

As Lessee:

The Company classifies leases as either operating or finance leases based on the principle of whether the lease is effectively a financed purchase by the lessee. This classification determines whether the lease expense is recognized on a straight-line basis over the term of the lease (operating lease) or under the effective interest method (finance lease). In addition, the Company recognizes right-of-use assets (ROU Assets) and related lease liabilities for leases with a term greater than twelve (12) months regardless of their lease classification. As discussed further in Note 7, the Company is a lessee under various Ground Lease Agreements with the Regents that provide for fixed and variable rent payments. Variable rent payments are recognized in the period in which the changes in facts and circumstances on which the variable payments are based occur.

As Lessor:

The Company classifies leases as either sales-type, direct financing, or operating leases dependent on whether certain lease criteria are met. The Company's lease arrangements for its student housing facilities have terms of twelve (12) months or less and are recognized on a straight-line basis over the lease term.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses for the year. Actual results could differ from these estimates. Due to fluctuations in interest rates primarily, it is at least reasonably possible the fair value of certain investments will change within the near term.

Revenue recognition

The Company generally leases bedrooms in accordance with twelve-month contracts based upon lease terms beginning in June, August, or September. Tenants are billed on the first of each month. Amounts received in advance are recorded as unearned rental income and rents earned are recognized at the end of each month.

The Company also leases parking in accordance with quarterly parking permits. Tenants acquire permits from parking machines. Amounts paid in advance are recorded as unearned rental income and rents earned are recognized at the end of each month.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

For the purpose of the Statements of Cash Flows, the Company considers cash and cash equivalents to include cash on hand and temporary investments purchased with an initial maturity of three months or less, and restricted cash, Treasury bills, money market funds, commercial paper, and other short-term financial instruments included in the Company's bond reserves accounts which are primarily held for investment in long-term assets.

Investments in guaranteed investment contracts

Investments in guaranteed investment contracts are included in bond reserves on the Statements of Financial Position and recorded at cost net of any impairment that is not considered temporary. Interest is accrued as earned and included in accounts and other receivables on the Statements of Financial Position.

Accounts and other receivables

Accounts receivable arise in the normal course of business. The Company generally allows for estimated losses on accounts receivable based on a review of existing receivables. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received.

Balance and activity related to the allowance for credit losses consist of the following:

| | June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Beginning balance | $ 262,000 | $ 122,000 |
| Provision for credit losses | 235 | 196,110 |
| Write-offs | (88,235) | (56,110) |
| Ending balance | $ 174,000 | $ 262,000 |

Construction in progress

Construction in progress consists of development costs, direct and indirect construction costs, capitalized interest, and amortization of debt issuance costs and bond premiums. The costs are accounted for as construction in progress until such time as the construction is complete and the assets are placed into service. The assets are then classified as property and equipment and depreciated accordingly.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Construction in progress (continued)

Capitalized interest is recorded by the Company based upon interest expense incurred on the Company's borrowings, offset by the investment income earned on the related tax-exempt bond proceeds.

Property and equipment

Property and equipment are recorded at cost. Depreciation is recognized using the straight-line method over the estimated useful lives of the respective assets including seven to thirty-two years for buildings and improvements and three to seven years for furniture and appliances. Expenses for maintenance, repairs and renewals of relatively minor items are expensed as incurred.

In accordance with the provisions of the Ground Lease Agreement and various documents executed in connection with the issuance of the 2021 Series Bonds, improvements, including landscaping, hardscaping, utility lines and utility facilities, and sidewalks (Offsite Elements) were made on property located outside of land leased to the Company pursuant to the Ground Lease Agreement. The Offsite elements are included in buildings and improvements of the Company.

Debt issuance costs and original issue premiums

Debt issuance costs and original issue premiums are amortized using the effective interest method. Unamortized debt issuance costs and original issue premiums are presented as a direct deduction from or addition to the face amount of the related debt in the Statements of Financial Position. Amortization of debt issuance costs and original issue premiums are reported as interest expense on the Statements of Activities.

Advertising

Advertising costs are expensed as incurred.

Functional allocation of expenses

The Statements of Activities present the natural classification detail of expenses by function. Costs are identified with a specific program or supporting function at the time they are incurred and reported accordingly.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes

The Company is a single-member limited liability company that is disregarded as a separate entity for federal income tax purposes. As such, the activities are reported on the return of its sole member, the Foundation. The Foundation is a non-profit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Company submitted tax returns for the State of California Limited Liability Company Tax and Limited Liability Company Fee. The Foundation's tax years 2022 to 2025 are open to examination.

The Company's management is not aware of any uncertain tax positions that would qualify for disclosure or accrual in the financial statements at June 30, 2026 and 2025.

Subsequent events

Subsequent events have been evaluated through September 11, 2026, which is the date the financial statements were issued.

## NOTE 2 - CONCENTRATION OF CREDIT RISK

The Company has concentrated its credit risk for cash by maintaining deposits in financial institutions which may at times exceed amounts covered by insurance provided by the Federal Deposit Insurance Corporation (FDIC). The Company has not experienced any losses in such accounts.

The balances in bond reserves are invested according to the original Indenture dated December 1, 2004 between the Issuer and Bank of New York Mellon (the Trustee) including all Supplemental Indentures (the Indenture) pursuant to which the bonds are issued, the terms of which are generally intended to limit investments to creditworthy investments.

## NOTE 3 - BOND RESERVES

Bond reserves consist of guaranteed investment contracts, money market funds, and cash held on deposit with the Trustee in accordance with the Indenture. Under the terms of the Indenture, various funds must be established and maintained by the Trustee for the Company. The Indenture governs the types of investments and requirements for collateralization.

## NOTE 3 - BOND RESERVES (CONTINUED)

Bond reserves consists of the following:

| | June 30 2026 | June 30 2025 |
|---|---|---|
| Revenue Fund | $ 40,830,910 | $ 53,376,585 |
| Bond Fund | 6,691,642 | 6,707,713 |
| Liquidity Account | 46,113,046 | 43,911,961 |
| Coverage Reserve Fund | 2,200,541 | 2,200,540 |
| Repair and Replacement Fund | 17,997,465 | 15,040,197 |
| Rebate Fund | 950,678 | 608,586 |
| | $ 114,784,282 | $ 121,845,582 |

The Indenture contains significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum bond coverages.

During the year ended June 30, 2023 the Company entered into guaranteed investment contracts (GICs) with financial institutions (Providers) pursuant to which the Company agreed to deposit money with the Providers. The Providers are contractually obligated to pay interest at a guaranteed rate for the life of the contract and return principal at maturity. The terms of the agreement allow the Company to withdraw funds without penalty only for certain purposes specified in the GICs. The Company intends to hold the GICs to maturity. Further, in the event of a rating downgrade of a Provider, the Provider must take action such as (i) assign the GIC to a provider acceptable to the Company, (ii) provide a guaranty of its obligations under the GIC or similar undertaking from a financial institution that meets certain specified criteria, (iii) provide collateral described pursuant to the terms of the respective GIC or (iv) take any action mutually agreeable to the Company and the Provider. The Company holds the following GICs in the Liquidity Account.

| Fund | Principal at June 30, 2026 | Principal at June 30, 2025 | Guaranteed Rate | Maturity Date |
|---|---|---|---|---|
| Series 2016 | $ - | $ 20,331,650 | 5.08% | May 15, 2026 |
| Series 2017 | $ 9,678,750 | $ 9,678,750 | 4.98% | May 15, 2027 |
| Series 2021 | $ 12,243,350 | $ 12,243,350 | 4.62% | May 15, 2031 |

## NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

| | June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Building and improvements | $ 661,703,963 | $ 658,430,069 |
| Furniture and appliances | 19,514,004 | 18,718,665 |
| Land improvements | 2,270,990 | 2,270,990 |
| | 683,488,957 | 679,419,724 |
| Less accumulated depreciation | 277,391,924 | 250,336,878 |
| | $ 406,097,033 | $ 429,082,846 |

Depreciation expense was $27,071,707 and $26,731,288 for the years ended June 30, 2026 and 2025, respectively.

## NOTE 5 - ARBITRAGE REBATE LIABILITY

Many of the investments made under the Foundation's tax-exempt bond program are subject to rebate provisions or yield restrictions. The rebate provisions require that a calculation be performed at least every five years to determine the amount, if any, of excess yield earned and owed to the Internal Revenue Service. The Foundation generally has calculations performed annually. As of June 30, 2026 and 2025, the arbitrage rebate liability was $934,359 and $599,055, respectively, and is included in accounts payable and other accrued liabilities on the Statements of Financial Position. The next required payment date to the Internal Revenue Service of any liability is December 25, 2026.

## NOTE 6 - LONG-TERM DEBT

Tax-exempt bonds payable

On December 1, 2004, tax-exempt Bonds (Series 2004 Bonds) were issued in the amount of $109,780,000 (plus a net premium of $1,252,953) by the Issuer pursuant to the Indenture between the Issuer and Trustee.

On May 1, 2006, tax-exempt Bonds (Series 2006 Bonds) were issued in the amount of $99,290,000 (plus a net premium of $2,398,202) by the Issuer for the purpose of providing funds to (i) advance refund a portion of the Issuer's Series 2004 Bonds and (ii) pay the issuance costs of the Series 2006 Bonds.

### NOTE 6 - LONG-TERM DEBT (CONTINUED)

Tax-exempt bonds payable (continued)

On July 30, 2008, tax-exempt Bonds (Series 2008 Bonds) were issued in the amount of $220,915,000 (plus a net premium of $452,790) by the Issuer pursuant to the Indenture between the Issuer and Trustee.

On January 11, 2012, tax-exempt Bonds (Series 2011 Bonds) were issued in the amount of $94,510,000 (plus a net premium of $1,232,545) by the Issuer pursuant to the Indenture between the Issuer and Trustee.

On March 15, 2016, tax-exempt Bonds (Series 2016 Bonds) were issued in the amount of $282,555,000 (plus a net premium of $40,510,270) by the Issuer for the purpose of providing funds to (i) refund the Series 2004, Series 2006 and Series 2008 Bonds (Refunded Bonds) (ii) pay the issuance costs of the Series 2016 Bonds and (iii) fund a debt service reserve fund. Assets totaling $342,268,092 were irrevocably deposited into an Escrow Fund (the Escrow Fund) held by the Bank of New York Mellon, as the Escrow Agent. Such assets were comprised of cash and a U.S. Treasury strip coupon totaling $42,450,801 and proceeds of the Series 2016 Bonds totaling $299,817,291. As a result, the Company was released and discharged from any further liability as primary obligor and the Series 2004, Series 2006 and Series 2008 Bonds were extinguished for financial statement reporting purposes.

On August 17, 2017, tax-exempt bonds (Series 2017 Bonds) were issued in the amount of $148,550,000 (plus a net premium of $24,213,789) by the Issuer pursuant to the Indenture between the Issuer and Trustee.

On October 26, 2021, tax-exempt bonds (Series 2021 Bonds) were issued in the amount of $191,250,000 (plus a net premium of $30,615,387) by the Issuer pursuant to the Indenture between the Issuer and Trustee. The scheduled payment of principal and interest on the Series 2021 Bonds when due will be guaranteed under a municipal bond insurance policy issued by Build America Mutual Assurance Company. The Series 2021 bonds, together with other funds, will be used to provide funds to (i) finance the design, acquisition, construction, improvement, furnishing and equipping of Phase IV-B student housing facility (Series 2021 Project), and the demolition or construction of certain improvements, including landscaping, hardscaping, utility lines and utility facilities, and sidewalks on land adjacent to the Series 2021 Project, (ii) refund all of the $76,820,000 outstanding aggregate principal amount of the Series 2011 Bonds, (iii) pay capitalized interest, (iv) make a deposit to the Working Capital and Marketing Fund, (v) make a deposit to the UCI Bonds Pooling Subaccount of the Liquidity Account, (vi) make a deposit to the Coverage Reserve Fund and (vii) pay the issuance costs of the Series 2021 Bonds. As a result, the Series 2011 Bonds were extinguished for financial reporting purposes.

### NOTE 6 - LONG-TERM DEBT (CONTINUED)

Pursuant to the various loan agreements between the Issuer and the Company, the Issuer has loaned the proceeds of the respective Series 2004, Series 2006, Series 2008, Series 2011, Series 2016, Series 2017 and Series 2021 Bonds (collectively the Bonds) to the Company. The proceeds were used to finance acquisition and construction of various housing facilities, fund interest on the bonds during the construction period, pay the cost of issuing the bonds, fund various reserves and/or refund certain bonds. The obligations are secured by an assignment of various documents executed in connection with the Bond issues, a lien on the Company's interest in the housing facility sites and all improvements, an assignment of rents, and various other items stipulated in the documents.

Long-term debt consists of the following:

| | June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Bond obligation payable (Series 2016 Bonds) in semi-annual installments of interest and annual installments of principal through May 15, 2040; interest rate of 3.7% and 3.6% during the years ended June 30, 2026 and 2025, respectively | $ 197,300,000 | $ 207,710,000 |
| Bond obligation payable (Series 2017 Bonds) in semi-annual installments of interest and annual installments of principal through May 15, 2050; interest rate of 3.9% and 3.8% during the years ended June 30, 2026 and 2025, respectively | 133,520,000 | 136,375,000 |
| Bond obligation payable (Series 2021 Bonds) in semi-annual installments of interest and annual installments of principal through May 15, 2054; interest rate of 3.6% during each of the years ended June 30, 2026 and 2025 | 178,145,000 | 179,950,000 |
| Total long-term debt | 508,965,000 | 524,035,000 |
| Plus unamortized original issue premiums | 44,532,570 | 49,752,827 |
| Less unamortized debt issuance costs | (4,804,900) | (5,223,894) |
| | $ 548,692,670 | $ 568,563,933 |

## NOTE 6 - LONG-TERM DEBT (CONTINUED)

Maturities of long-term debt at June 30, 2026 are as follows:

| | Series 2016 Bonds | Series 2017 Bonds | Series 2021 Bonds | Total |
|---|---|---|---|---|
| Year ending June 30 | | | | |
| 2027 | $ 10,935,000 | $ 3,000,000 | $ 2,805,000 | $ 16,740,000 |
| 2028 | 11,320,000 | 3,150,000 | 4,325,000 | 18,795,000 |
| 2029 | 12,055,000 | 3,310,000 | 5,230,000 | 20,595,000 |
| 2030 | 12,665,000 | 3,475,000 | 6,145,000 | 22,285,000 |
| 2031 | 13,290,000 | 3,645,000 | 7,000,000 | 23,935,000 |
| 2032 and thereafter | 137,035,000 | 116,940,000 | 152,640,000 | 406,615,000 |
| | $ 197,300,000 | $ 133,520,000 | $ 178,145,000 | $ 508,965,000 |

Pursuant to various agreements, the Company makes various covenants, including one to maintain a minimum fixed charges coverage ratio of 1.20:1. The minimum fixed charges coverage ratio was met for each of the years ended June 30, 2026 and 2025.

## NOTE 7 - GROUND LEASE

The Company and the Regents have entered into five Ground Lease Agreements (2004 Ground Lease, 2008 Ground Lease, 2011 Ground Lease, 2017 Ground Lease, and 2021 Ground Lease). The Ground Lease Agreements include fixed base rental payments (Base Rent) subject to periodic upward adjustments based on either (a) the Consumer Price Index (CPI) and/or (b) the fair market value of the respective leased land multiplied by a specified rate of return.

Base Rent for each of the following Ground Lease Agreements are as follows:

| | June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Ground Lease | | |
| 2004 | $ 1,599,829 | $ 1,599,829 |
| 2008 | 3,137,223 | 2,560,000 |
| 2011 | 4,000,000 | 4,000,000 |
| 2017 | 1,313,861 | 1,275,551 |
| 2021 | 549,258 | 547,487 |
| | $ 10,600,171 | $ 9,982,867 |

**NOTE 7 - GROUND LEASE (CONTINUED)**

The following are future minimum Base Rent payments at June 30, 2026, subject to upward adjustment as explained in a preceding paragraph:

| Year ending June 30 | Initial Base Rent | Upward Adjustments | Total Base Rent |
|---|---|---|---|
| 2027 | $ 4,954,000 | $ 8,546,342 | $ 13,500,342 |
| 2028 | 4,954,000 | 8,546,342 | 13,500,342 |
| 2029 | 4,954,000 | 8,546,342 | 13,500,342 |
| 2030 | 4,954,000 | 8,546,342 | 13,500,342 |
| 2031 | 4,954,000 | 8,546,342 | 13,500,342 |
| 2032 and thereafter | 60,644,750 | 72,203,062 | 132,847,812 |
| | 85,414,750 | $ 114,934,772 | $ 200,349,522 |
| Less: discount to present value | 17,456,942 | | |
| Operating lease liability | $ 67,957,808 | | |

The calculations were based on terms associated with the Ground Lease Agreements with weighted average discount rates of 2.46%, the risk free rates, as of June 30, 2026 and 2025. The Ground Lease Agreements terminate upon full payment of the associated Bonds, which results in a weighted average remaining lease term of 18.8 and 19.6 years, respectively, as of June 30, 2026 and 2025.

The Ground Lease Agreements also require additional rent to be paid from the Surplus Fund held by the Trustee based on the terms of the Indenture and Ground Lease Agreements. Additional rent in the amount of $14,325,809 and $14,090,190 was incurred for the years ended June 30, 2026 and 2025, respectively.

Cash paid for amounts included in the measurement of operating lease liabilities, including ground lease payable, was $24,073,058 and $24,669,053 during the years ended June 30, 2026 and 2025, respectively.

As of June 30, 2026 and 2025, ground lease payable was $24,925,980 and $24,073,058, respectively, and funds of $24,925,980 and $24,073,058, respectively, were available to pay ground lease payable from the Surplus Fund in accordance with the Indenture. Any unpaid rental payments accrue interest at 6% per annum in accordance with the Ground Lease Agreements.

## NOTE 8 - PROJECT MANAGEMENT

The management and daily operation of the housing facilities is conducted by ACC SC Management (California), LP (the Manager) pursuant to the Third Amended and Restated Management Agreement and an additional Management Agreement entered into on October 26, 2021 (the Series 2021 Management Agreement)(collectively "the Management Agreements"). The primary term of the Management Agreements expired on September 1, 2024. On September 1, 2024, the Company entered into two amendments to extend the term of the Management Agreements to September 1, 2027, including the right to extend for two additional one-year terms. The management of the facilities includes obtaining and maintaining occupants, collection of rents, payment of indebtedness and expenses, repairs, maintenance, and administrative services. The employees necessary or appropriate to manage the facilities will be under the control of the Manager. Per the Management Agreements, the Company will reimburse the Manager for expenses related to gross salaries, incentive bonuses, and other employee benefits and travel expenses to the housing facilities. As of June 30, 2026 and 2025, the Manager was owed $843,828 and $5,638,559, respectively, for reimbursable expenses.

The management fee consists of a base management fee equal to 2% of occupancy receipts as defined in the Management Agreements, plus a distributed management fee equal to 2% of occupancy receipts received during the Lease Year. The base management fee for the years ended June 30, 2026 and 2025, was $2,105,122 and $2,033,581, respectively, and the distributed management fee for the years ended June 30, 2026 and 2025, was $2,103,497 and $2,033,581, respectively. Total management fees payable was $2,474,648 and $2,616,591 as of June 30, 2026 and 2025, respectively.

Sub-Management Agreement

In connection with issuance of the Series 2021 Bonds, the Manager and the Regents executed a Sub-Management Agreement (the Sub-Management Agreement), for an initial term commencing July 1, 2023 and expiring on June 30, 2024, subject to automatic renewal for successive twelve month periods and extension and earlier termination (pursuant to a termination of the Series 2021 Management Agreement), whereby the Regents will assume certain responsibilities under the Series 2021 Management Agreement. Specific obligations assumed by the Regents include the provision of certain maintenance, groundskeeping and landscaping services with respect to Phase IV-B. The Regents will be paid an annual fee (University Sub-Management Fee) in four (4) equal quarterly installments to compensate the Regents for providing such services under the Sub-Management Agreement, which will be paid as an expense of Phase IV-B.

## NOTE 8 - PROJECT MANAGEMENT (CONTINUED)

Sub-Management Agreement (continued)

For each Lease Year, the University Sub-Management Fee shall be the amount set forth in the operating budget approved in accordance with the Series 2021 Management Agreement. The University Sub-Management Fee for the years ended June 30, 2026 and 2025, was $650,600 and $612,000, respectively. As of June 30, 2026 and 2025, $162,650 and $612,000, respectively, was included in accounts payable and other accrued liabilities on the Statements of Financial Position. The University Sub-Management Fee is included in repairs and maintenance on the Statements of Activities.

## NOTE 9 - RELATED PARTY TRANSACTIONS

The Foundation has an agreement to receive a monthly membership fee once the housing facilities are operational. For the housing facility associated with the 2004 Ground Lease, the amount is equal to 0.8% of the occupancy receipts. For the housing facilities associated with the 2008 Ground Lease, 2011 Ground Lease and 2017 Ground Lease, the amount is equal to 1.5% of the occupancy receipts, not to exceed $250,000 per annum during the first ten years of operation, $330,000 per annum during the second ten years of operation and $440,000 per annum during the third ten years of operation for each facility. For the housing facility associated with the 2021 Ground Lease, the annual membership fee is equal to $100,000 payable in monthly installments. The membership fees for the years ended June 30, 2026 and 2025 was $1,180,453 and $1,162,149, respectively, of which $136,474 was payable as of June 30, 2025. During the year ended June 30, 2026, the Manager overpaid the Foundation for membership fees in the amount of $136,917, which is included in prepaid expenses and other assets as of June 30, 2026.

In connection with entering into the 2021 Ground Lease, the Foundation is entitled to an acquisition fee of $100,000, all of which was paid during the year ended June 30, 2024. The fee is included with debt issuance costs, net of amortization of $26,911 and $21,272 at June 30, 2026 and 2025, respectively. The charges are amortized over the life of the Bonds.

**NOTE 9 - RELATED PARTY TRANSACTIONS (CONTINUED)**

In addition to the ground lease expense (see Note 7) and the University Sub-Management Fee (see Note 8), the Company compensates the Regents for services including but not limited to security services, campus monitoring and coordination fee and shuttle services. The campus monitoring and coordination fee and shuttle services with respect to the Series 2021 Project are to be paid in arrears each year on November 15 from the Surplus Fund in accordance with the 2021 Ground Lease and totaled $361,024 and $324,000, respectively, for the years ended June 30, 2026 and 2025. The Company will also reimburse the Regents for amounts including but not limited to certain utilities. The Company made payments to the Regents totaling approximately $4,627,000 and $4,130,000 during the years ended June 30, 2026 and 2025, respectively. Additionally, $995,000 was included in construction payable as of June 30, 2025, which was paid during the year ended June 30, 2026 from the Surplus Fund in accordance with the Indenture for the Regents pre-development and development costs with respect to the Series 2021 Project. As of June 30, 2026 and 2025, the Regents was owed approximately $572,000 and $473,000, respectively, for other reimbursable expenses (inclusive of the campus monitoring and coordination fee and shuttle services), which is included in accounts payable and other accrued liabilities.

**NOTE 10 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Company manages its liquidity and availability of resources by adopting, monitoring, and modifying an annual operating budget, in accordance with the Management Agreement and various documents executed in connection with the bond issues. As of June 30, 2026 and 2025, the Company had the following financial assets.

| | June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Financial assets | | |
| Cash and cash equivalents | $ 11,099,025 | $ 2,538,994 |
| Cash reserved for security deposits | 380,882 | 1,772,400 |
| Bond reserves (see Note 3) | 114,784,282 | 121,845,582 |
| Accounts and other receivables, net | 887,688 | 852,478 |
| | $ 127,151,877 | $ 127,009,454 |

Availability of these financial assets for general expenditures of the Company within one year of the date of the Statements of Financial Position is pursuant to the order of priorities for payment of the Company's obligations established by the Indenture. Additionally, the cash reserved for security deposits is held in a separate account to be used to satisfy the security deposits liability. Availability of guaranteed investment contracts in bond reserves is also subject to certain limits (see Note 3).

### NOTE 10 - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

Because the Project was entirely debt financed at the start of development, and once operational includes significant annual non-cash operating expenses such as depreciation and amortization, the Company anticipates a net deficit as reported on the Statements of Financial Position. However, the budgets for the Company are developed to meet various financial covenants including the fixed charges coverage ratio as discussed further in Note 6.

### NOTE 11 - OTHER MATTER

As of September 30, 2024, bond proceeds, including investment earnings thereon, were held in the Construction Fund and the Working Capital and Marketing Fund in the amounts of $3,213,244 and $56,640, respectively. Pursuant to a Written Direction to Transfer Remaining Bond Proceeds Dated September 30, 2024, and upon delivering a Favorable Opinion of Bond Counsel to the Trustee, $191,236 was transferred to the Series 2021 Pooling Subaccount pursuant to the Financing Trust Agreement and Section 2009(e)(iii) of the Indenture, and $3,078,648 was transferred to the 2021 Account of the Bond Fund to apply towards payments of debt service on the Series 2021 Bonds. Additionally, the Company directed the Trustee to transfer any subsequent interest posted to the Construction Fund and the Working Capital and Marketing Fund to the 2021 Account of the Bond Fund, which resulted in additional transfers to the 2021 Account of the Bond Fund totaling $14,872.

### NOTE 12 - SUBSEQUENT EVENTS

As of September 11, 2026, the Company is considering causing the issuance of approximately $369 million aggregate principal amount of California Statewide Communities Development Authority Student Housing Revenue Bonds for the purpose of (i) financing the design, acquisition, construction, improvement, furnishing and equipping of an approximately 1,067-bed student housing facility, and other related and appurtenant facilities located on the campus of the University of California, Irvine, and the demolition or construction of improvements, including landscaping, hardscaping, utility lines and utility facilities, and sidewalks on adjacent land that is not leased to the Company, and (ii) refunding all of the Outstanding Series 2016 Bonds. The financial close is expected to occur on or before October 15, 2026, which is the date the 2016 Series Bonds would also be redeemed.

Additionally, the Company is considering causing the issuance, sale and delivery on a forward-delivery basis approximately $133 million aggregate principal amount of California Statewide Communities Development Authority Student Housing Refunding Revenue bonds for the purpose of refunding all of the Series 2017 Bonds. The financial close is expected to occur in February 2027 with the redemption of the Series 2017 Bonds occurring on May 15, 2027.

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**INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION**

The Board of Directors of Collegiate Housing Foundation
CHF - Irvine, L.L.C.
(a subsidiary of Collegiate Housing Foundation)
Fairhope, Alabama

We have audited the financial statements of CHF - Irvine, L.L.C. as of and for the years ended June 30, 2026 and 2025, and issued our report thereon dated September 11, 2026, which expressed an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of the fixed charges coverage ratio for the year ended June 30, 2026 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Wilkins Miller, LLC

Mobile, Alabama
September 11, 2026

Wilkins Miller LLC
Certified Public Accountants + Advisors
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# CHF - IRVINE, L.L.C.
### (A SUBSIDIARY OF COLLEGIATE HOUSING FOUNDATION)

## SCHEDULE OF THE FIXED CHARGES COVERAGE RATIO
## YEAR ENDED JUNE 30, 2026

| | |
|---|---|
| Change in net assets (deficit): | $ 4,096,814 |
| Adjustments: | |
| Repair and replacement funding | (2,399,530) |
| Interest (includes amortization of debt issuance costs/bond premiums) | 18,971,848 |
| Depreciation | 27,071,707 |
| Ground lease | 24,667,822 |
| Campus monitoring and coordination fee and shuttle services - Series 2021 Project | 361,024 |
| Distributed management fee | 2,103,497 |
| Coverage Reserve Fund balance as of June 30, 2026 | 2,200,541 |
| | 72,976,909 |
| Total available for fixed charges | $ 77,073,723 |
| Fixed charges: | |
| Scheduled principal payments | $ 15,070,000 |
| Scheduled interest payments | 23,867,300 |
| Total fixed charges | $ 38,937,300 |
| Fixed charges coverage ratio | 1.98 |

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## APPENDIX C

## SUMMARY OF CERTAIN PROVISIONS OF RELEVANT DOCUMENTS

*The following is a brief summary of certain provisions of the Indenture, the Loan Agreement, the Financing Trust Agreement, and the Ground Leases not described elsewhere in the Official Statement. This summary does not purport to be comprehensive or definitive and is subject to all of the terms and provisions of the Indenture, the Loan Agreement, the Financing Trust Agreement, and the Ground Leases in their entirety to which reference is made for the detailed provisions thereof. Capitalized terms not otherwise defined in this Appendix will have the meanings set forth in the relevant document, as applicable.*

**Definitions Used in the Indenture and Loan Agreement**

***"Act"*** means 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, as amended, and as the same may be from time to time additionally supplemented and amended.

***"Additional Bonds"*** means any additional parity Bonds authorized to be issued by the Issuer pursuant to the terms and conditions of the Indenture.

***"Affiliate"*** means any Person (i) directly or indirectly controlling, controlled by, or under common control with the Borrower; or (ii) a majority of the members of the Directing Body of which are members of the Directing Body of the Borrower. For purposes of this definition, control means with respect to: (a) a corporation having stock, the ownership, directly or indirectly, of more 50% of the securities (as defined in § 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the directors of such corporation; (b) a non-profit corporation not having stock, having the power to elect or appoint, directly or indirectly, a majority of the members of the Directing Body of such corporation; or (c) any other entity, the power to direct the management of such entity through the ownership of at least a majority of its voting securities or the right to designate or elect at least a majority of the members of its Directing Body, by contract or otherwise. For the purposes of this definition, "***Directing Body***" means with respect to: (x) a corporation having stock, such corporation's board of directors and owners, directly or indirectly, of more than 50% of the securities (as defined in § 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the directors of such corporation (both of which groups will be considered a Directing Body); (y) a non-profit corporation not having stock, such corporation's members if the members have complete discretion to elect the corporation's directors, or the corporation's directors if the corporation's members do not have such discretion; or (z) any other entity, its governing body or board. For the purposes of this definition, all references to directors and members will be deemed to include all entities performing the function of directors or members however denominated. It will not mean the directors, officers, employees and/or agents of the Borrower in their private or individual capacities.

***"Annual Budget"*** means the line item operation and capital budget for the Project for each Fiscal Year developed by the Manager and approved by the Borrower in accordance with the Loan Agreement and each of the Ground Leases.

***"Annual Debt Service"*** means the amount required to pay all principal of and interest on a series of Bonds in any Fiscal Year. For purposes of calculating the Annual Debt Service on a series of Bonds the interest rate borne by which is not fixed to the maturity thereof on any date, such series Bonds will 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 plus fifty-hundredths percent (0.50%) per annum.

***"Annual Repair and Replacement Fund Requirement"*** "Annual Repair and Replacement Fund Requirement" means, (i) during the Interim Period, an amount each year equal to $2,612,880 in Current Dollars ($605,384 in Current Dollars for the Series 2004 Project; $827,358 in Current Dollars for the Series 2008 Project; $585,204 in Current Dollars for the Series 2011 Project; $357,860 in Current Dollars for the Series 2017 Project; and $237,074 in Current Dollars for the Series 2021 Project), and (ii) commencing in the first Fiscal Year after the Series

2026 Completion Date, an amount each year equal to $2,799,255 in Current Dollars ($605,384 in Current Dollars for the Series 2004 Project; $827,358 in Current Dollars for the Series 2008 Project; $585,204 in Current Dollars for the Series 2011 Project; $357,860 in Current Dollars for the Series 2017 Project; $237,074 in Current Dollars for the Series 2021 Project and $186,375 in Current Dollars for the Series 2026 Project) all as set forth in a written certificate of the Authorized Borrower Representative approved by the Manager and filed with the Trustee.

***"Assignment of Construction Documents"*** means the Assignment of Construction Documents, dated as of December 1, 2004, as amended by the First Supplemental Assignment of Construction Documents, dated as of April 1, 2006, the Assignment of Construction Documents, dated as of July 1, 2008, the Assignment of Construction Documents, dated as of August 1, 2017, the Assignment of Construction Documents, dated as of October 1, 2021, the Assignment of Construction Documents, dated as of October 1, 2026, each by the Borrower in favor of the Trustee, as may be amended and/or supplemented from time to time as permitted by the Indenture.

***"Average Annual Occupancy Percentage"*** means, (a) for any Fiscal Year prior to the Series 2026 Completion Date, the percentage derived by dividing (x) the actual number of days during such Fiscal Year that the beds in the Project were leased under Resident Leases (as that term is defined in the Ground Leases), by (y) the product of 365 days multiplied by 7,681 beds, and (b) for any Fiscal Year following the Series 2026 Completion Date, the percentage derived by dividing (x) the actual number of days during such Fiscal Year that the beds in the Project were leased under Resident Leases (as that term is defined in the Ground Lease), by (y) the product of 365 days multiplied by 8,746 beds.

***"BAM"*** means Build America Mutual Assurance Company, or any successor thereto.

**"*Base Management Fee*"** means any management fee paid pursuant to a Management Agreement as an Expense.

**"*Basic Loan Payments*"** means the Loan Payments payable by the Borrower to the Issuer pursuant to the Loan Agreement that are described under the subheading "Basic Loan Payments" therein.

**"*Bond Documents*"** means, collectively, the Financing Trust Agreement, the Indenture, the Loan Agreement, the Tax Certificate, the Leasehold Deed of Trust, the Assignment of Construction Documents, the Bond Purchase Agreement, the Indemnity Letters, the Ground Leases, the Development Agreement and the Borrower Financing Statement(s).

***"Bond Purchase Agreement"*** means, collectively, the Bond Purchase Agreements, among the Issuer, the Borrower, and the underwriter(s) named in such Bond Purchase Agreement, dated October 19, 2021, October __, 2026 and ________, 2027, respectively.

**"*Borrower Documents*"** means the Loan Agreement, the Financing Trust Agreement, the Tax Certificate, the Leasehold Deed of Trust, the Assignment of Construction Documents, the Bond Purchase Agreement, the Borrower Indemnity Letter, the Ground Leases, the Development Agreement and the Borrower Financing Statement(s).

**"*Borrower Fee*"** means the fee paid to the Borrower pursuant to the Ground Leases.

***"Borrower Financing Statement(s)"*** means the UCC-1 Financing Statement(s) filed by the Borrower under the Assignment of Construction Documents.

***"Borrower Indemnity Letter"*** with respect to the Series 2021 Bonds, the Series 2026 Bonds and the Series 2027 Bonds, means the indemnity letter dated the respective Closing Date for such Series of Bonds.

***"Closing Date"*** means, with respect to the Series 2017 Bonds, August 17, 2017, with respect to the Series 2021 Bonds, October 26, 2021, with respect to the Series 2026 Bonds, the Series 2026 Closing Date, and with respect to the Series 2027 Bonds, the Series 2027 Closing Date.

***"Code"*** means the Internal Revenue Code of 1986, as amended. Reference in the Indenture to any specific provision of the Code will be deemed to include a reference to any successor provision or provisions to such provision and to any Regulations issued or proposed under or with respect to such provision or under or with respect to any predecessor provision of the Internal Revenue Code of 1954, as amended, to the extent any of the foregoing is applicable to the Bonds.

***"Construction Contracts,"*** with respect to the Series 2026 Project and the Series 2026 Offsite Elements, means the contracts between the Developer and the general contractor or between the Borrower and the general contractor for the construction thereof and the contracts relating thereto between the Developer and suppliers of materials and Equipment or between the Borrower and suppliers of materials and Equipment

***"Construction Period,"*** with respect to the Series 2026 Project, means the period between the beginning of construction thereof or the date on which the Series 2026 Bonds are first delivered to the Underwriter (whichever is earlier) and the Series 2026 Completion Date.

***"Consumer Price Index"*** means the Consumer Price Index for All Urban Consumers, All Items, (CPI-U) Los Angeles-Long Beach-Anaheim, CA All Urban Consumers, CA, published by the U.S. Department of Labor, Bureau of Labor Statistics (the "BLS"). If the Consumer Price Index:

(i) is not published for a given calendar month, then the Consumer Price Index for that month will be the Consumer Price Index published for the most recent prior calendar month or other period for which it is so published;

(ii) hereafter uses a different standard reference base or is otherwise revised, an adjustment will be made therein for the purposes of the Indenture, using the conversion factor, formula, or table for making that adjustment as is published by the BLS, or if the BLS does not publish the same, then as is published by Prentice-Hall, Inc., the Bureau of National Affairs, Commerce Clearing House, or any other nationally recognized publisher of similar statistical information, as selected by the Ground Lessor; or

(iii) ceases to be published,

then, for the purposes of the Indenture, there will be substituted for it such other index as the Borrower and the Ground Lessor may agree upon, or in the absence of such an agreement, the Consumer Price Index first issued for the month and year in question.

***"Costs of the Project,"*** with respect to the Series 2026 Project and the Series 2026 Offsite Elements, means those costs and expenses in connection with the design, acquisition, construction, furnishing, and equipping thereof permitted by the Act to be paid or reimbursed from the Bond proceeds including, but not limited to, the following:

(i) (a) the cost of the preparation of Plans and Specifications (including any preliminary study or planning thereof or any aspect thereof), (b) the cost of land, acquisition and construction thereof and all design, construction, acquisition, and installation expenses required to provide utility services or other facilities and all real or personal properties deemed necessary in connection therewith (including development, architectural, engineering, and supervisory services with respect to any of the foregoing), (c) interest on the Bonds during the applicable Construction Period and for such additional period as the Issuer shall reasonably determine to be necessary for placing the Series 2026 Project and the Series 2026 Offsite Elements in operation but not to exceed one year, and (d) any other costs and expenses relating to the design, acquisition, construction, and placing in service thereof;

(ii) the purchase price of the Equipment in connection therewith, including all costs incident thereto, payment for labor, services, materials, and supplies used or furnished in site improvement and in the construction thereof, including all costs incident thereto, payment for the cost of the design, construction, acquisition, and installation of utility services or other facilities in connection therewith, payment for all real and personal property deemed necessary in connection therewith, payment of consulting and development fees in connection therewith, and payment for the miscellaneous expenses incidental to any of the foregoing items including the premium on any surety bond;

(iii) the fees and/or out-of-pocket expenses, if any, of those providing services with respect thereto, including, but not limited to, architectural, engineering, and supervisory services;

(iv) any other costs and expenses relating thereto that are permitted by the Act, other than Issuance Costs of the Bonds; and

(v) reimbursement to the Borrower for any costs described above paid by it, whether before or after the execution of the Loan Agreement; provided, however, that reimbursement for any expenditures made prior to the execution of the Loan Agreement from the Account of the Construction Fund shall only be permitted for expenditures meeting the requirements of the Regulations, including but not limited to, §1.150-2 of the Regulations.

***"Coverage Reserve Required Balance"*** means, as of any date, an amount equal to 0.05 multiplied by Maximum Annual Debt Service.

***"Current Dollars"*** means a dollar amount calculated by multiplying a dollar amount specified in the Indenture by a fraction, the numerator of which is the Consumer Price Index last published prior to the date upon which such amount is calculated and the denominator of which is the Consumer Price Index last published prior to the date of delivery and issuance of the Series 2004 Bonds.

***"Developer,"*** with respect to the Series 2026 Project, means ACC SC Development (California) LP, a Delaware limited partnership organized under the laws of the State of Delaware, and its successors and assigns.

***"Developer Indemnity Letter,"*** with respect to the Series 2017 Bonds, the Series 2021 Bonds and the Series 2026 Bonds, means the indemnity letter, if any, dated the Closing Date for such Series of Bonds from the Developer to the Issuer, the Borrower, and the Underwriter.

***"Development Agreement,"*** with respect to the Series 2026 Bonds, means the Development Agreement dated as of October __, 2026, between the Borrower and the Developer.

***"Distributed Management Fee"*** means any management fee paid pursuant to a Management Agreement that is not paid as an Expense.

***"Expenses,"*** with respect to the Project, means, for any period, the aggregate of all expenses relating thereto calculated under GAAP, including any Base Management Fee due and payable to the Manager pursuant to the Management Agreement, the Lessee's Fee due and payable to the Foundation pursuant to the Series 2004 and Series 2006 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, the Series 2021 Ground Lease, and the Series 2026 Ground Lease and necessary expenses incurred by the Borrower in connection with the inspection thereof, collection and payment of arbitrage rebate relating to the Bonds as required by federal law, enforcement of the obligations of other parties to documents executed in connection therewith, the performance of any other obligations of the Borrower, Insurance Consultant or Independent Engineer under the Bond Documents directly related thereto, and the University Sub-management Fee due and payable to the Ground Lessor pursuant to the Sub-Management Agreement, but excluding (i) any extraordinary expenses (including without limitation losses on the sale of assets other than in the ordinary course of business and losses on the extinguishment of debt or termination of pension plans), (ii) any expenses resulting from a forgiveness of or the establishment of reserves against Indebtedness of an Affiliate that do not constitute extraordinary expense, (iii) losses resulting from any reappraisal, revaluation, or write-down of assets, (iv) the Distributed Management Fee, and (v) expenses which by the terms of the Ground Lease are payable to the Ground Lessor solely from the Surplus Fund.

***"Financial Consultant"*** means a firm of Accountants and/or professional management, marketing, housing or financial consultants reasonably acceptable to the Borrower having the skill and experience necessary to render the particular report required. Such firm(s) will not be, and no member, stockholder, director, officer, or employee of which will be, an officer or employee of the Borrower or the University. The reports of the Financial Consultant showing forecast financial performances may be in the form of a forecast of the management of the Borrower that is accompanied by a statement of a Financial Consultant to the effect that such Financial Consultant has reviewed the underlying assumptions and procedures used by management and that such assumptions provide a reasonable basis for the forecast of management.

***"Financing Trust Agreement"*** means the Financing Trust Agreement, dated as of December 1, 2004, as supplemented by the First Supplemental Financing Trust Agreement, dated as of December 1, 2004, the Second Supplemental Financing Trust Agreement, dated as of April 1, 2006, the Third Supplemental Financing Trust Agreement, dated as of July 1, 2008, the Fourth Supplemental Financing Trust Agreement, dated as of December 1, 2011, the Fifth Supplemental Financing Trust Agreement, dated as of March 1, 2016, the Sixth Supplemental Financing Trust Agreement, dated as of August 1, 2017, the Seventh Supplemental Financing Trust Agreement, dated as of October 1, 2021, the Eighth Supplemental Financing Trust Agreement, dated as of October 1, 2026 and the Ninth Supplemental Financing Trust Agreement, dated as of February 1, 2027, each between the Master Trustee and the Borrower, as the same may be amended and/or further supplemented from time to time in accordance with the provisions of such agreement.

***"Fitch"*** means Fitch Ratings, its successors and assigns, and if such corporation will for any reason no longer perform the functions of a securities rating agency, "Fitch" will be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower. Whenever rating categories of Fitch are specified in the Indenture, such categories will be irrespective of gradations within a category.

***"Fixed Charges"*** means, for any period, the sum of all cash outflows related to the Project that the Borrower cannot avoid without violating long-term contractual or legal obligations (those obligations which extend for a period greater than one year), including, but not limited to, (i) interest on Indebtedness other than Short-Term Indebtedness, and (ii) scheduled payments of principal on Indebtedness other than Short-Term Indebtedness. "Fixed Charges" do not include payments made to the Ground Lessor under the Ground Lease or principal and interest payable on any Indebtedness to the extent that such principal and interest are payable from the proceeds of such Indebtedness.

***"Fixed Charges Coverage Ratio"*** means, for any period, the ratio of (a) Revenue Available for Fixed Charges plus the then current balance in the Coverage Reserve Fund to (b) Fixed Charges.

***"Foundation"*** means Collegiate Housing Foundation, a private non-profit corporation organized and existing under the laws of the state of Alabama, and its successors and assigns.

***"GAAP"*** means those principles of accounting set forth in pronouncements of the Financial Accounting Standards Board and its predecessors or pronouncements of the American Institute of Certified Public Accountants or those principles of accounting that have other substantial authoritative support and are applicable in the circumstances as of the date of application, as such principles are from time to time supplemented and amended.

***"Ground Lease"*** means, individually, or "Ground Leases" means, collectively, (i) the Series 2004 and Series 2006 Ground Lease; (ii) the Series 2008 Ground Lease; (iii) the Series 2011 Ground Lease; (iv) the Series 2017 Ground Lease; (v) the Series 2021 Ground Lease and (vi) the Series 2026 Ground Lease.

***"Ground Lessor"*** means The Regents, its successors and assigns.

***"Indebtedness"*** means (i) all indebtedness, whether or not represented by bonds, debentures, notes, or other securities, for the repayment of money borrowed by the Borrower in connection with the Project, (ii) all deferred indebtedness for the payment of the purchase price of the Premises and the Equipment, (iii) all guaranties, endorsements (other than endorsements in the ordinary course of business), assumptions, and other contingent obligations in respect of, or to purchase or to otherwise acquire, indebtedness of others in connection with the Project, (iv) all indebtedness secured by mortgage, pledge, security interest, or lien existing on the Premises that is subject to such mortgage, pledge, security interest, or lien, whether or not the indebtedness secured thereby will have been assumed, (v) all derivatives, including but not limited to credit default and total-rate-of-return swaps, and (vi) all capitalized lease obligations of the Borrower in connection with the Project; provided, however, that for the purpose of computing Indebtedness, there will be excluded any particular Indebtedness if, upon or prior to the maturity thereof, there will have been irrevocably deposited with the proper depository in trust the necessary funds (or direct obligations of the United States of America not redeemable by the issuer thereof) for the payment, redemption, or satisfaction of such Indebtedness, and thereafter such funds and such direct obligations of the United States of America so deposited will not be included in any computation of the assets of the Borrower and the income derived from such funds and such direct obligations of the United States of America so deposited will not be included in any computation of the income of the Borrower.

***"Indenture"*** means, (i) as of the Series 2026 Closing Date, the Original Indenture, as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, as the same may be amended and/or supplemented from time to time in accordance with the provisions thereof and, (ii) as of the Series 2027 Closing Date, the Original Indenture, as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, and the Eighth Supplemental Indenture, as the same may be amended and/or supplemented from time to time in accordance with the provisions thereof.

***"Initial Liquidity Account Requirement"*** means (i) after the Series 2026 Closing Date but prior to the Series 2027 Closing Date, an amount equal to $_______ (consisting of $9,678,750 in the 2017 Subaccount of the UCI Bonds Pooling Subaccount, $14,000,400 in the 2021 Subaccount of the UCI Bonds Pooling Subaccount and $________ in the 2026 Subaccount of the UCI Bonds Pooling Subaccount) and (ii) after the Series 2027 Closing Date, an amount equal to $_______ (consisting of $14,000,400 in the 2021 Subaccount of the UCI Bonds Pooling Subaccount, $_______ in the 2026 Subaccount of the UCI Bonds Pooling Subaccount and $________ in the 2027 Subaccount of the UCI Bonds Pooling Subaccount).

***"Inspecting Engineer"*** means the engineering firm engaged by the Ground Lessor to serve in an advisory capacity to the Ground Lessor for inspections and to provide certain approvals hereunder and in the Loan Agreement, including approvals relating to disbursements from the Construction Fund and the establishment of the Series 2026 Completion Date.

***"Insured Series 2026 Bonds"*** means the Series 2026 Bonds.

***"Insured Series 2026/2027 Bonds"*** means the Insured Series 2026 Bonds and the Insured Series 2027 Bonds.

***"Insured Series 2026/2027 Bonds Security Documents"*** means, (i) with respect to the Insured Series 2026 Bonds, the Insured Series 2026 Bonds Security Documents and (ii) with respect to the Insured Series 2027 Bonds, the Insured Series 2027 Bonds Security Documents.

***"Insured Series 2026 Bonds Security Documents"*** means, collectively, the Financing Trust Agreement, the Indenture, the Loan Agreement, the Leasehold Deed of Trust, the Assignment of Construction Documents, the Management Agreement, a sub-management agreement, if any, by and between The Regents and the Manager, and the Ground Leases.

***"Insured Series 2027 Bonds"*** means the Series 2027 Bonds.

***"Insured Series 2027 Bonds Security Documents"*** means, collectively, the Financing Trust Agreement, the Indenture, the Loan Agreement, the Leasehold Deed of Trust, the Management Agreement, a sub-management agreement, if any, by and between The Regents and the Manager, and the Ground Leases.

***"Interest Payment Dates"*** means May 15 and November 15 of each year, commencing May 15, 2022, in the case of the Series 2021 Bonds, May 15, 2027 in the case of the Series 2026 Bonds and May 15, 2027 in the case of the Series 2027 Bonds, and the dates on which interest is scheduled to be paid, in the case of Additional Bonds (each, an ***"Interest Payment Date"***).

***"Interim Period"*** means the period beginning on the date of delivery of the Series 2026 Bonds and ending on the Series 2026 Completion Date.

***"Issuance Costs"*** with respect to the Bonds means:

(i) the initial or acceptance fee of the Trustee (which includes the administration fee for the first year), the fees and taxes for recording and filing the Leasehold Deed of Trust, the Assignment of Construction Documents, the Borrower Financing Statement(s), and any title curative documents that either the Trustee or Independent Counsel may reasonably deem desirable to file for record in order to perfect or protect the title of the Borrower to the Project or the lien or security interest created or granted by the Leasehold Deed of Trust or the Assignment of Construction Documents and the reasonable fees and expenses in connection with any actions or proceedings that either the Trustee or Independent Counsel may reasonably deem desirable to bring in order to perfect or protect the lien or security interest created or granted by the Leasehold Deed of Trust or the Assignment of Construction Documents in connection with the issuance thereof;

(ii) the costs of legal fees and expenses, Underwriter's spread, underwriting fees, rating agency fees and other financing costs, Issuer's fees and expenses, financial advisor's fees, accounting fees and expenses, consulting fees, Trustee's fees, paying agent and certifying and authenticating agent fees, reasonable fees and expenses of counsel to the Trustee, reasonable fees and expenses of the Borrower, including publication costs, title insurance premiums, and printing and engraving costs incurred in connection with the authorization, sale, issuance and carrying of the Bonds and the preparation of the applicable Bond Documents and all other documents in connection therewith; and

(iii) other costs in connection with the issuance of the Bonds permitted by the Act to be paid or reimbursed from Bond proceeds.

***"Issuer Documents"*** means, collectively, the Indenture, the Loan Agreement, the Tax Certificate and the Bond Purchase Agreement.

***"Late Payment Rate"*** means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 5%, and (ii) the then applicable highest rate of interest on the Insured Series 2026 Bonds and Insured Series 2027 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A. ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as the Bond Insurer, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to the Bond Insurer shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

***"Leasehold Deed of Trust"*** means the Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of December 1, 2004, as amended by the First Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of April 1, 2006, the Second Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of July 1, 2008, the Third Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of December 1, 2011, the Fourth Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of March 1, 2016, the Fifth Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of August 1, 2017, the Sixth Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of October 1, 2021, the Seventh Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of October 1, 2026 and the Eighth Supplemental Leasehold Deed of Trust with Assignment of Rents and Fixture Filing, dated as of February 1, 2027 encumbering the Premises and all improvements thereon including the Series 2004 Building, the Series 2008 Building, the Series 2011 Building, the Series 2017 Building, the Series 2021 Building and the Series 2026 Building executed by the Borrower in favor of the deed of trust trustee named therein for the benefit of the Trustee, as the same may be amended and/or supplemented from time to time as permitted hereby.

***"Liquidity Account Loan Payments"*** means the Loan Payments payable by the Borrower to the Issuer pursuant to the Loan Agreement that are described under the subheading "Liquidity Account Loan Payments" in the Loan Agreement.

***"Loan"*** means, collectively, the Series 2004 Loan, the Series 2006 Loan, the Series 2008 Loan, the Series 2011 Loan, the Series 2016 Loan, the Series 2017 Loan, the Series 2021 Loan, the Series 2026 Loan, and the Series 2027 Loan, and any subsequent loan by the Issuer to the Borrower of the proceeds of Additional Bonds pursuant to a supplemental Loan Agreement.

***"Loan Agreement"*** means the Loan Agreement, dated as of December 1, 2004, as amended by the First Amendment to Loan Agreement, dated as of May 1, 2005, and as supplemented by the First Supplemental Loan Agreement, dated as of April 1, 2006, the Second Supplemental Loan Agreement, dated as of July 1, 2008, the Third Supplemental Loan Agreement, dated as of December 1, 2011, the Fourth Supplemental Loan Agreement, dated as of March 1, 2016, the Fifth Supplemental Loan Agreement, dated as of August 1, 2017, the Sixth Supplemental Loan Agreement, dated as of October 1, 2021, the Seventh Supplemental Loan Agreement, dated as of October 1, 2026, and the Eighth Supplemental Loan Agreement, to be dated as of February 1, 2027, each as originally executed and delivered and as the same may be amended and supplemented from time to time in accordance with its terms, which pursuant to its terms is stated to be a Loan Agreement under the Indenture and which satisfies all of the requirements for a Loan Agreement set forth in the Financing Trust Agreement.

***"Management Agreement"*** means (i) the Amended and Restated Management Agreement (Series 2021 and Series 2026), to be dated as of October __, 2026, between the Borrower and the Manager, as the same may be replaced, amended and/or supplemented from time to time, (ii) the Third Amended and Restated Management Agreement, dated as of August 1, 2017, as amended on October 26, 2021, and September 1, 2024 and to be further amended on October __, 2026, between the Borrower and the Manager, as the same has been and may be replaced, amended and/or supplemented from time to time, and (iii) any management or similar agreement between the Borrower and any successor Manager relating to the management of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, the Series 2021 Project, the Series 2026 Project or any additional extension of the Project, as the same may be amended and/or supplemented from time to time; in each case the Management Agreement shall specify the character of any fee to the Manager payable thereunder as an Expense or not an Expense.

***"Manager"*** means ACC SC Management (California) LP, a Delaware limited partnership, as successor by conversion to American Campus Management (California), LLC, or any management company or entity employed by the Borrower to manage the Project.

***"Master Trustee"*** means the master trustee at the time serving as such under the Financing Trust Agreement. The Bank of New York Mellon Trust Company, N.A., a national banking association, is the initial Master Trustee.

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

***"Minimum Repair and Replacement Fund Balance"*** means the sum of (i) with respect to the Series 2004 Project, $1,000,000, (ii) with respect to the Series 2008 Project, $1,500,000, (iii) with respect to the Series 2011 Project, $1,000,000, (iv) with respect to the Series 2017 Project, from July 1, 2025 until June 30, 2030, $1,500,000 and after June 30, 2030, $2,000,000, (v) with respect to the Series 2021 Project, until June 30, 2028, $1,000,000 and from July 1, 2028 to June 30, 2033, $1,500,000, and after June 30, 2033, $2,000,000 and (vi) with respect to the Series 2026 Project, until June 30, 2033, $1,000,000, and from July 1, 2033 to June 30, 2038, $1,500,000 and after June 30, 2038, $2,000,000.

***"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 will for any reason no longer perform the functions of a securities rating agency, "Moody's" will be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower. Whenever rating categories of Moody's are specified in the Indenture, such categories will be irrespective of gradations within a category.

***"Net Proceeds,"*** when used with respect to any insurance or condemnation award or with respect to any other recovery on a contractual claim or claim for damage to or for taking of property, means the gross proceeds from the insurance or condemnation award or recovery remaining after payment of all expenses (including reasonable attorneys' fees and any Extraordinary Expenses of the Trustee) incurred in the collection of such gross proceeds.

***"Offsite Elements"*** means the Series 2026 Offsite Elements and any additional offsite elements financed with the proceeds of Additional Bonds as set forth in a supplemental indenture entered into with respect to such Additional Bonds.

***"Operating Account Surplus"*** means the amount, if any, by which the amounts paid to the Borrower by the Trustee for deposit into the Operating Account in a Fiscal Year pursuant to the Indenture exceed the amounts paid, incurred, or accrued in respect of Operating Expenses of the Project during such Fiscal Year, such amount to be determined with reference to, and simultaneously with the delivery of, the audited financial statements delivered to the Trustee in accordance with the provisions of the Loan Agreement, as such amount may be adjusted in accordance with the provisions of the Indenture.

***"Operating Expenses"*** means Expenses less (i) depreciation, amortization and other noncash expenses, (ii) fees of the Insurance Consultant and Independent Engineer and (iii) fees paid to the Issuer and the Trustee.

***"Original Indenture"*** means the Indenture, dated as of December 1, 2004, by and between the Authority and the Trustee.

***"Original Loan Agreement"*** means the Loan Agreement, dated as of December 1, 2004, by and between the Borrower and the Authority.

***"Outstanding,"*** when used as of any particular time with reference to the Bonds or any series of Bonds, means all such Bonds that have been duly authenticated and delivered by the Trustee under the Indenture, except:

(i) Bonds theretofore canceled or required to be canceled by the Trustee;

(ii) Bonds that are deemed to have been paid in accordance with Article IX of the Indenture; and

(iii) Bonds in substitution for which other Bonds have been authenticated and delivered in accordance with the Indenture.

If the Indenture will be discharged pursuant to Article IX thereof, no Bonds will be deemed to be Outstanding within the meaning of this definition.

***"Permitted Encumbrances"*** means, as of any particular time:

(1) undetermined liens and charges incident to construction or maintenance, and liens and charges incident to construction or maintenance filed of record which are being contested in good faith and have not proceeded to final judgment (and for which all applicable periods for appeal or review have not expired), provided (a) that the Borrower will have set aside reserves with respect thereto which, in the opinion of an Authorized Borrower Representative, are adequate, and (b) that no written objection has been filed by the Trustee with the Borrower not later than 30 days after a notice describing such proposed Permitted Encumbrance is given to the Trustee by the Borrower;

(2) notices of lis pendens or other notices of or liens with respect to pending actions which are being contested in good faith and have not proceeded to final judgment (and for which all applicable periods for appeal or review have not expired), provided (a) that the Borrower will have set aside reserves with respect thereto which, in the opinion of an Authorized Borrower Representative, are adequate, and (b) that no written objection has been filed by the Trustee with the Borrower not later than 30 days after a notice describing such proposed Permitted Encumbrance is given to the Trustee by the Borrower;

(3) the lien of taxes and assessments which are not delinquent, or which are being contested in good faith, provided (a) that the Borrower will have set aside reserves with respect thereto which, in the opinion of an Authorized Borrower Representative, are adequate, and (b) that non-payment of such taxes and assessments will not result in any loss of property;

(4) minor defects and irregularities in title which in the aggregate do not materially adversely affect the value or operation of the property to which such encumbrance relates for the purposes for which it is or may reasonably be expected to be used;

(5) easements, exceptions or reservations for the purpose of ingress and egress, parking, pipelines, telephone lines, telegraph lines, cable television lines, power lines and substations, roads, streets, alleys, highways, railroad purposes, drainage and sewerage purposes, dikes, canals, laterals, ditches, the removal of oil, gas, coal or other minerals, and other like purposes, or for the joint or common use of real property, facilities and equipment, which, in the reasonable judgment of the Ground Lessor, in the aggregate do not materially interfere with or impair the operation of the property to which such encumbrance relates for the purposes for which it is or may reasonably be expected to be used;

(6) rights reserved to or vested in any municipality or governmental or other public authority to control or regulate or use in any manner any portion of the Project which do not materially impair the operation of the Project to which such encumbrance relates for the purposes for which it is or may reasonably be expected to be used;

(7) present or future valid zoning laws and ordinances;

(8) the rights of the Borrower and the Trustee (for the benefit of the holders of the Bonds) under the Bond Documents and the rights of the Borrower and The Regents under the Ground Lease;

(9) liens securing indebtedness for the payment, prepayment or satisfaction of which money (or evidences of indebtedness) in the necessary amount will have been deposited in trust with a trustee or other holder of such indebtedness;

(10) purchase money security interests and security interests existing on the Project prior to the time of its acquisition through purchase, merger, consolidation or otherwise, whether or not assumed by the purchaser thereof, or placed upon property being acquired to secure a portion of the purchase price thereof, or upon equipment acquired through a capital lease or installment purchase arrangement, or lessor's interests in leases required to be capitalized in accordance with generally accepted accounting principles, and security interests in property granted to secure indebtedness ("Refinancing Indebtedness") incurred to refinance indebtedness initially secured by a purchase money security interest in the Project to the extent that the initial principal amount of such Refinancing Indebtedness does not exceed the principal amount of the refinanced indebtedness that is outstanding immediately prior to such refinancing;

(11) statutory liens arising in the ordinary course of business which are not delinquent or are being contested in good faith;

(12) mortgages of or security interests in property permitted under the Bond Documents;

(13) leases, licenses and occupancy agreements permitted under the Bond Documents;

(14) other liens or encumbrances existing as of the date of initial issuance of the Bonds; and

(15) any other liens or encumbrances to which the Borrower and the Trustee consent in writing.

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

(i) Defeasance Obligations;

(ii) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including: Export-Import Bank, Farm Credit System Financial Assistance Corporation, Rural Economic Community Development Administration (formerly the Farmers Home Administration), General Services Administration, U.S. Maritime Administration, Small Business Administration, Government National Mortgage Association (GNMA), U.S. Department of Housing & Urban Development (PHA's), Federal Housing Administration, and Federal Financing Bank;

(iii) 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:

(A) senior debt obligations rated "Aaa" by Moody's and "AAA" by S&P issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC), and

(B) senior debt obligations of the Federal Home Loan Bank System.

(iv) dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks that: (1) have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P; (2) are insured at all times by the Federal Deposit Insurance Corporation; (3) are collateralized with direct obligations of the United States of America at one hundred percent (100%) valued daily; and (4) mature no more than three hundred sixty (360) calendar days after the date of purchase, it being understood that ratings on holding companies are not considered as the rating of the bank;

(v) commercial paper that is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and that matures not more than two hundred seventy (270) calendar days after the date of purchase;

(vi) investments in (a) money market funds subject to SEC Rule 2a-7 and rated at the highest applicable rating by S&P or Moody's and (b) public sector investment pools operated pursuant to SEC Rule 2a-7 in which the Issuer's deposit will 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;

(vii) 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 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"), "AAA" by Moody's and "AAA" by S&P; or

(B) (i) 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 (ii) 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;

(viii) general obligations of states with a short-term rating in one of the two highest rating categories and a long-term rating in one of the two highest rating categories of at least two nationally recognized rating agencies (and in the event such obligations are variable rate obligations, the interest rate on such obligations must be reset not less frequently than annually);

(ix) investment agreements approved in writing by the Trustee and supported by appropriate opinions of counsel; and

(x) other forms of investments (including repurchase agreements) approved by the Trustee.

***"Person"*** means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, limited liability companies, public bodies, and similar entities, whether for profit or non-profit.

***"Plans and Specifications,"*** with respect to the Series 2026 Project and the Series 2026 Offsite Elements, means the detailed plans and specifications for the construction thereof prepared by the Consulting Architect or by architects and engineers acceptable to the Consulting Architect, as amended from time to time by the Borrower with the consent of the University, a copy of which is or will be on file with the Trustee.

***"Policy"*** shall mean, collectively, the (i) Municipal Bond Insurance Policy dated ______, 2026 issued by BAM that guarantees the scheduled payment of principal of and interest on the Insured Series 2026 Bonds and the (ii) Municipal Bond Insurance Policy dated ______, 2027 issued by BAM that guarantees the scheduled payment of principal of and interest on the Insured Series 2027 Bonds when due.

***"Premises"*** means (i) as of the Series 2026 Closing Date, the land described in Exhibit F attached to the Seventh Supplemental Indenture which is incorporated in the Indenture and constitutes the amendment and restatement in its entirety of Exhibit A to the Original Indenture and (ii) as of the Series 2027 Closing Date, the land described in Exhibit F attached to the Eighth Supplemental Indenture which is incorporated in the Indenture and constitutes the amendment and restatement in its entirety of Exhibit A to the Original Indenture.

***"Project"*** means, collectively, the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, the Series 2021 Project, the Series 2026 Project and any additional project acquired, constructed, furnished, and equipped with the proceeds of Additional Bonds, excluding Offsite Elements.

***"Project Gross Revenues"*** means (i) the gross receipts and operating and non-operating revenues of the Borrower, and interest earnings thereon, derived from the ground leasing or operation of the Project, all as determined in accordance with GAAP, and interest earned on all Funds, but excluding, in any event, (ii) the sum of (a) earnings on amounts that are irrevocably deposited in escrow to achieve defeasance or similar arrangement for the payment of the principal of or interest on Indebtedness, and (b) security deposits received from student residents of the Project and held by the Borrower until such time, if any, as the Borrower will be permitted to apply such deposits to the payment of rent or to the repair and maintenance of the Project in accordance with the terms of a lease or residency agreement.

***"Rating Agency"*** means, each and collectively, Fitch, Moody's and S&P.

***"Requisite Number of Bondholders"*** means the Owners of not less than two-thirds (2/3) in aggregate principal amount of the Bonds then Outstanding.

***"Revenues,"*** for any period, means (i) the gross receipts and operating and non-operating revenues of the Borrower derived from the ownership or operation of the Project, including the proceeds of the Bonds deposited into the Subaccount of the Capitalized Interest Account and expended during such period to pay interest on the Bonds, all as determined in accordance with GAAP, but excluding in any event (ii) the sum of (a) any gains on the sale or other disposition of investments or fixed or capital assets not in the ordinary course of business, and (b) earnings or gains resulting from any reappraisal, revaluation, or write-up of assets, and (c) contributions from any Affiliate, and (d) earnings that constitute Capitalized Interest, and (e) security deposits received from student residents of the Project and held by the Borrower until such time, if any, as the Borrower will be permitted to apply such deposits to the payment of rent or to the repair and maintenance of the Project in accordance with the terms of a lease or residency agreement and (f) Net Proceeds of insurance (other than business interruption insurance) and condemnation awards, and (g) earnings on amounts irrevocably deposited in escrow to pay the principal and interest on Indebtedness.

***"Revenues Available for Fixed Charges"*** means, for any period, the excess of Revenues over Expenses (including for purposes of this calculation payments to the Repair and Replacement Fund as an Expense), plus amounts deducted in arriving at such excess of Revenues for (i) interest on Indebtedness other than Short-Term Indebtedness, (ii) depreciation, (iii) amortization, and (iv) rent payable to the Ground Lessor under the Ground Leases.

***"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 will for any reason no longer perform the functions of a securities rating agency, "S&P" will be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower. Whenever rating categories of S&P are specified in the Indenture, such categories will be irrespective of gradations within a category.

***"Security"*** means any of the property subject to the operation of the granting clauses contained in the Leasehold Deed of Trust, the Assignment of Construction Documents, the Loan Agreement, the Financing Trust Agreement and the Indenture that is part of the Trust Estate and that serves as collateral for the Bonds.

**"*Series 2004 and Series 2006 Ground Lease*"** means the Ground Lease Agreement, dated as of December 1, 2004, by and between the Ground Lessor and the Borrower, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

***"Series 2004 Bonds"*** means California Statewide Communities Development Authority Student Housing Revenue Bonds (CHF--Irvine, L.L.C.--UCI East Campus Apartments, Phase II) Series 2004, issued pursuant to the Indenture.

***"Series 2004 Building"*** means those certain buildings and all other facilities and improvements constituting part of the Series 2004 Project and not constituting part of the Series 2004 Equipment that are or will be located on the Premises.

***"Series 2004 Equipment"*** means the equipment, machinery, furnishings, and other personal property acquired with the proceeds of the Series 2004 Bonds and described in Exhibit "A" attached to the Loan Agreement, and all replacements, substitutions, and additions thereto.

***"Series 2004 Project"*** means the approximately 1,564-bed student housing facility and related parking and other facilities that were acquired, constructed, furnished, and equipped on a site located on campus at the University, consisting of the Premises, the Series 2004 Building, and the Series 2004 Equipment.

***"Series 2008 Bonds"*** means California Statewide Communities Development Authority Student Housing Refunding Revenue Bonds (CHF--Irvine, L.L.C.--UCI East Campus Apartments, Phase II), Series 2008, issued pursuant to the Indenture.

***"Series 2008 Building"*** means those certain buildings and all other facilities and improvements constituting part of the Series 2008 Project and not constituting part of the Series 2008 Equipment that are or will be located on the Premises; and expressly including the UCI Parking System Portion.

"***Series 2008 Equipment***" means the equipment, machinery, furnishings, and other personal property acquired with the proceeds of the Series 2008 Bonds and described in Exhibit A attached to the Original Loan Agreement, and all replacements, substitutions and additions thereto, and expressly excluding the UCI Parking System Portion.

**"*Series 2008 Ground Lease*"** means the Ground Lease Agreement, dated as of July 1, 2008, between the Ground Lessor and the Borrower, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

***"Series 2008 Project"*** means the housing facility of approximately 2,111 beds in an approximately 720-unit student apartment complex and related parking facilities located at and serving the University of California, Irvine and that were acquired, constructed, furnished, and equipped on a site located on campus at the University, consisting of a portion of the Premises, the Series 2008 Building, and the Series 2008 Equipment; and expressly excluding the UCI Parking System Portion.

***"Series 2011 Bonds"*** means California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding--CHF--Irvine, L.L.C.) Series 2011, issued pursuant to the Indenture.

***"Series 2011 Building"*** means those certain buildings and all other facilities and improvements constituting part of the Series 2011 Project and not constituting part of the Series 2011 Equipment that are located on the Premises.

***"Series 2011 Equipment"*** means the equipment, machinery, furnishings, and other personal property acquired with the proceeds of the Series 2011 Bonds and described in Exhibit A attached to the Third Supplemental Loan Agreement, and all replacements, substitutions, and additions thereto.

***"Series 2011 Ground Lease"*** means the Ground Lease Agreement, dated as of December 1, 2011, between the Ground Lessor and the Borrower, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

***"Series 2011 Project"*** means the housing facility of approximately 1,488 beds in an approximately 488-unit student apartment complex and related parking facilities located at and serving the University of California, Irvine and that were acquired on a site located on campus at the University, consisting of the Series 2011 Building and the Series 2011 Equipment.

***"Series 2016 Bonds"*** means California Statewide Communities Development Authority Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartment – CHF–Irvine, L.L.C.) Series 2016, issued pursuant to the Indenture.

***"Series 2016 Loan"*** means the loan by the Issuer to the Borrower of the proceeds of the Series 2016 Bonds pursuant to the Loan Agreement.

***"Series 2017 Bonds"*** means California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase IV-A CHF–Irvine, L.L.C.) Series 2017, issued pursuant to the Indenture.

***"Series 2017 Building"*** means those certain buildings and all other facilities and improvements constituting part of the Series 2017 Project and not constituting part of the Series 2017 Equipment that are or will be located on the Premises.

***"Series 2017 Equipment"*** means the equipment, machinery, furnishings, and other personal property acquired with the proceeds of the Series 2017 Bonds and described in Exhibit A attached to the Original Loan Agreement, and all replacements, substitutions, and additions thereto.

***"Series 2017 Ground Lease"*** means the Ground Lease Agreement, dated as of August 1, 2017, between the Ground Lessor and the Borrower, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

***"Series 2017 Loan"*** means the loan by the Issuer to the Borrower of the proceeds of the Series 2017 Bonds pursuant to the Loan Agreement.

***"Series 2017 Project"*** means the housing facility consisting of approximately 1,441 beds in an approximately 410-unit student apartment complex and related parking facilities located at and serving the University of California, Irvine and that were acquired, constructed, furnished, and equipped on a site located on campus at the University, consisting of the Series 2017 Building, and the Series 2017 Equipment.

***"Series 2021 Bonds"*** means the California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding and Phase IV-B CHF-Irvine, L.L.C.) Series 2021, issued pursuant to the Indenture.

***"Series 2021 Building"*** means those certain buildings and all other facilities and improvements constituting part of the Series 2021 Project and not constituting part of the Series 2021 Equipment that are or will be located on the Premises.

***"Series 2021 Equipment"*** means the equipment, machinery, furnishings, and other personal property acquired with the proceeds of the Series 2021 Bonds and described in Exhibit A attached to the Original Loan Agreement, and all replacements, substitutions, and additions thereto.

***"Series 2021 Ground Lease"*** means the Ground Lease Agreement, dated as of the Series 2021 Closing Date, between the Ground Lessor and the Borrower, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

***"Series 2021 Loan"*** means the loan by the Issuer to the Borrower of the proceeds of the Series 2021 Bonds pursuant to the Loan Agreement.

***"Series 2021 Offsite Elements"*** means the demolition or construction of improvements, including landscaping, hardscaping, utility lines and utility facilities, and sidewalks on adjacent land not leased to the Borrower.

***"Series 2021 Project"*** means the housing facility consisting of approximately 1,077 beds in an approximately 295-unit student apartment complex and related facilities located at and serving the University of California, Irvine and that were acquired, constructed, furnished, and equipped on a site located on campus at the University, consisting of the Series 2021 Building, and the Series 2021 Equipment, and that excludes the Series 2021 Offsite Elements.

***"Series 2026 Ground Lease"*** means the Ground Lease Agreement, dated as of October 1, 2026 between the Ground Lessor and the Borrower, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

***"Series 2026 Bonds"*** means the California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF-Irvine, L.L.C.) Series 2026, issued pursuant to the Indenture.

***"Series 2026 Building"*** means those certain to-be-constructed buildings and all other facilities and improvements constituting part of the Series 2026 Project and not constituting part of the Series 2026 Equipment that are or will be located on the Premises.

***"Series 2026 Closing Date"*** means the date upon which the Series 2026 Bonds are issued in exchange for payment by the Underwriter.

***"Series 2026 Completion Date"*** means the date of completion of the Series 2026 Project and the Series 2026 Offsite Elements, as certified by the Borrower and approved by the Developer and Inspecting Engineer as provided in the Loan Agreement.

***"Series 2026 Equipment"*** means the equipment, machinery, furnishings, and other personal property to be acquired with the proceeds of the Series 2026 Bonds and described in Exhibit A attached to the Original Loan Agreement, and all replacements, substitutions, and additions thereto.

***"Series 2026 Loan"*** means the loan by the Issuer to the Borrower of the proceeds of the Series 2026 Bonds pursuant to the Loan Agreement.

***"Series 2026 Offsite Elements"*** means the demolition or construction of improvements intended to benefit the Series 2026 Project, including landscaping, hardscaping, utility lines, access roads, sidewalks and reconfiguration of certain parking, on land that is adjacent to the Series 2026 Project Site but that will not be leased to the Borrower.

***"Series 2026 Project"*** means the to-be-constructed housing facility consisting of approximately 1,065 beds in an approximately 308-unit student apartment complex and related facilities located at and serving the University of California, Irvine and that will be acquired, constructed, furnished, and equipped on a site located on campus at the University, consisting of the Series 2026 Building, and the Series 2026 Equipment, and that excludes the Series 2026 Offsite Elements.

***"Series 2026 Tax Certificate,"*** means the Series 2026 Tax Certificate and Agreement relating to the Series 2026 Bonds, dated as of the Series 2026 Closing Date, between the Issuer and the Borrower.

***"Series 2027 Bonds"*** means the California Statewide Communities Development Authority Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF-Irvine, L.L.C.) Series 2027 (Forward Delivery), issued pursuant to the Indenture.

***"Series 2027 Closing Date"*** means the date upon which the Series 2027 Bonds are issued in exchange for payment by the Underwriter.

***"Series 2027 Tax Certificate,"*** means the Series 2027 Tax Certificate and Agreement relating to the Series 2027 Bonds, dated as of the Series 2027 Closing Date, between the Issuer and the Borrower.

**"*Short-Term Indebtedness*"** means any Indebtedness maturing not more than three hundred sixty-five (365) days after it is incurred or that is payable on demand, except for any such Indebtedness that is renewable or extendable at the sole option of the debtor to a date more than three hundred sixty-five (365) days after it is incurred, or any such Indebtedness that, although payable within three hundred sixty-five (365) days, constitutes payments required to be made on account of Indebtedness expressed to mature more than three hundred sixty-five (365) days after it was incurred.

***"Sinking Fund Requirement"*** with respect to the Bonds, means the principal amounts established under the Indenture for the retirement thereof by purchase or redemption on May 15 of such Bond Year.

***"Sixth Supplemental Indenture"*** means, the Sixth Supplemental Indenture, dated as of October 1, 2021, between the Issuer and the Trustee, supplementing the Indenture.

**"*Tax Certificate*"** means, with respect to the Series 2016 Bonds, the Tax Certificate and Agreement relating to the Series 2016 Bonds, dated as of March 15, 2016, between the Issuer and the Borrower, with respect to the Series 2017 Bonds, the Tax Certificate and Agreement relating to the Series 2017 Bonds, dated as of August 17, 2017, between the Issuer and the Borrower, with respect to the Series 2021 Bonds, the Series 2021 Tax Certificate, with respect to the Series 2026 Bonds, the Series 2026 Tax Certificate, and with respect to the Series 2027 Bonds, the Series 2027 Tax Certificate.

**"*Trust Estate*"** means any and all property subject to the operation of the granting clauses of the Indenture.

**"*UCI Bonds Pooling Subaccount*"** means the subaccount by that name created under the Financing Trust Agreement.

**"*UCI Bonds Redemption Subaccount*"** means the subaccount by that name created under the Financing Trust Agreement.

***"UCI Parking System Portion"*** means the rights retained by the University to access and use approximately 361 vehicle parking spaces, as described in the Series 2008 Ground Lease.

***"Unassigned Rights"*** means all of the rights of the Issuer to receive reimbursements and payments pursuant to the Loan Agreement, to be held harmless and indemnified pursuant thereof, and to execute and deliver supplements to and amendments of the Loan Agreement pursuant thereof.

***"2026 Account of the Bond Fund"*** means the account by that name created pursuant to the Indenture.

***"2026 Account of the Condemnation Fund"*** means the account by that name created pursuant to the Indenture.

***"2026 Account of the Construction Fund"*** means the account of the Construction Fund of that name created pursuant to the Indenture.

***"2026 Account of the Coverage Reserve Fund"*** means the account by that name created pursuant to the Indenture.

***"2026 Account of the Insurance Fund"*** means the account by that name created pursuant to the Indenture.

***"2026 Account of the Issuance Cost Fund"*** means the Account of the Issuance Cost Fund of that name created i pursuant to the Indenture.

***"2026 Account of the Redemption Fund"*** means the account by that name created pursuant to the Indenture.

***"2026 Account of the Working Capital and Marketing Fund"*** means the account of the Working Capital and Marketing Fund of that name created pursuant to the Indenture.

***"2026 Subaccount of the Capitalized Interest Account"*** means the subaccount of the Capitalized Interest Account of the Bond Fund created pursuant to the Indenture.

***"2027 Account of the Bond Fund***" means the account by that name created pursuant to the Indenture.

***"2027 Account of the Condemnation Fund***" means the account by that name created pursuant to the Indenture.

***"2027 Account of the Coverage Reserve Fund"*** means the account by that name created pursuant to the Indenture.

***"2027 Account of the Issuance Cost Fund***" means the Account of the Issuance Cost Fund of that name created pursuant to the Indenture.

***"2027 Account of the Redemption Fund"*** means the account by that name created pursuant to the Indenture.

## THE INDENTURE

### Limited Obligation

The Bonds, together with interest thereon, will be special, limited and not general obligations of the Issuer giving rise to no pecuniary liability of the Issuer, will be payable solely from the Security, including the revenues and receipts derived from or in connection with the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, the Series 2021 Project and the Series 2026 Project, including all moneys received under the Loan Agreement, which are required to be set apart and transferred to the Bond Fund and the Redemption Fund, which revenues and receipts (except for the Unassigned Rights) are specifically pledged and assigned to the Trustee for the equal and ratable payment of the Bonds and will be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in the Indenture. Neither the members of the Authority nor any person executing the Bonds will be liable personally on the Bonds by reason of the issuance thereof.

**Tax Covenants**

(a) The Authority will not use or permit the use of any proceeds of Bonds or any funds of the Authority, directly or indirectly, to acquire any securities or obligations, nor take or permit to be taken any other action or actions, which would cause any Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code, "private activity bond" within the meaning of Section 141(a) of the Code, or "federally guaranteed" within the meaning of Section 149(b) of the Code and any such applicable requirements promulgated from time to time thereunder. The Authority will observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. The Authority will comply with all requirements of Sections 148 and 149(b) of the Code to the extent applicable to the Bonds. In the event that at any time the Authority is of the opinion that for purposes of this section it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under the Indenture, the Authority will so instruct the Trustee under the Indenture in writing, and the Trustee will take such action as may be necessary in accordance with such instructions.

(b) The Authority and the Trustee (as directed by the Authority) specifically covenant to comply with the provisions and procedures of the Tax Certificate.

(c) The Authority will not use or permit the use of any proceeds of the Bonds or any funds of the Authority, directly or indirectly, in any manner, nor take or omit to take any action, that would cause any of the Bonds to be treated as an obligation not described in Section 103(a) of the Code.

(d) Notwithstanding any provisions of this section if the Authority will provide to the Trustee an Opinion of Counsel that any specified action required under this section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest with respect to the Bonds, the Trustee and the Authority may conclusively rely on such opinion in complying with the requirements of this section, and, notwithstanding the article of the Indenture with respect to amendment of the Indenture, the covenants under the Indenture will be deemed to be modified to that extent.

**Rights Under Certain Documents**

The Bond Documents, duly executed counterparts of which have been filed with the Trustee, set forth the covenants and obligations of the Issuer and the Borrower, including provisions that subsequent to the initial issuance of the Series 2026 Bonds and Series 2027 Bonds and prior to their payment in full or provision for payment thereof in accordance with the provisions of the Indenture, the Bond Documents may not be effectively amended, changed, modified, altered, or terminated (other than as provided in the Indenture) without the written consent of the Trustee, and reference is made to the Bond Documents for a detailed statement of said covenants and obligations of the Borrower thereunder, and the Trustee may enforce all rights of the Issuer, except the Unassigned Rights, and all obligations of the Borrower under and pursuant to the Bond Documents, and may enforce all rights of the Issuer, except the Unassigned Rights, for and on behalf of the Bondholders, whether or not the Issuer is in default under the Indenture.

Notwithstanding anything to the contrary set forth in the Indenture or any of the other Bond Documents (other than the Financing Trust Agreement), the Financing Trust Agreement may be amended from time to time in accordance with its terms.

So long as any of the Bonds remains Outstanding, and for such longer period when required by the Loan Agreement, the Issuer will faithfully and punctually perform and observe all obligations and undertakings on its part to be performed and observed under the Issuer Documents. The Issuer covenants to maintain, at all times, the validity and effectiveness of the Borrower Documents to which it is a party or in respect of which it is a beneficiary, and (except as expressly permitted by the Loan Agreement) will take no action, will permit no action to be taken by others, and will not omit to take any action or permit others to omit to take any action, which action or omission might release the Borrower from its liabilities or obligations thereunder, or result in the surrender, termination, amendment, or modification of, or impair the validity thereof.

The Issuer covenants to enforce diligently all covenants, undertakings, and obligations of the Borrower under the Borrower Documents to which it is a party or in respect of which it is a beneficiary, and the Issuer authorizes and directs the Trustee to enforce any and all of the Issuer's rights thereunder on behalf of the Issuer and the Owners of the Bonds.

**Funds and Accounts**

***Revenue Fund***. There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Revenue Fund" into which the Borrower has agreed to deposit or cause to be deposited the Project Gross Revenues on a weekly basis including any amounts required to be deposited therein pursuant to the Development Agreement; provided, however, that if an Event of Default will have occurred and be continuing, the Borrower has further agreed to deliver all Project Gross Revenues daily. The amounts deposited into the Revenue Fund will be disbursed by the Trustee on or before the $20^{th}$ day of each month (or the immediately succeeding Business Day if the $20^{th}$ day of a month is not a Business Day) and, to the extent necessary to make the transfers required by subsections (a) through (f) of this section, on or before the last Business Day of each month in the following order (in making the following deposits, the Borrower and the Trustee may make such adjustments as they deem necessary (i) to make a proportionate increase in a monthly deposit amount when such deposits are intended to aggregate an amount to be deposited annually but such monthly deposits will made during a period of less than twelve months, and (ii) to evenly distribute prepaid payments received from occupants of the Project in a manner that is equivalent to the amount that such monthly deposits would be if such payments had not been prepaid):

(a) there will be transferred to the Bond Fund the amount the Borrower is obligated to pay as the Basic Loan Payments pursuant to the Loan Agreement;

(b) there will be transferred to the Rebate Fund the amount the Borrower is obligated to pay pursuant to Indenture in accordance with the Tax Certificate;

(c) there will be paid to the Issuer (as certified in writing to the Trustee by the Issuer) and the Trustee any amounts owed as Additional Loan Payments pursuant to the Loan Agreement;

(d) there will be transferred to the appropriate fund or funds any further amounts owed as Additional Loan Payments pursuant to the Loan Agreement relating solely to the payment of principal and interest on Additional Bonds;

(e) there will be paid to the Borrower for deposit into the Operating Account an amount, as will be set forth in a written direction of an Authorized Borrower Representative filed with the Trustee at least annually, equal to the lesser of (i) the greater of (A) the amount budgeted in the Annual Budget for Operating Expenses of the Project for the immediately succeeding month and (B) any amount necessary to meet the minimum balance requirement, which for purposes of the Indenture will be an amount equal to 10% of the Operating Expenses shown in the then current Annual Budget or (ii) the excess, if any, of (A) the amount budgeted in the Annual Budget for Expenses for the then current Fiscal Year over (B) the amount theretofore deposited into the Operating Account pursuant to this subsection (e) for the then current Fiscal Year; provided, however, if, during any Fiscal Year, it will be determined that an Operating Account Surplus will have been created with respect to the immediately preceding Fiscal Year, such payment to the Borrower will be reduced by the amount of such Operating Account Surplus, if any, and the amount of the Operating Account Surplus, if any, will then be adjusted by the amount of such reduction;

(f) there will be transferred to the UCI Bonds Pooling Subaccount the amount required pursuant to the Financing Trust Agreement;

(g) there will be transferred to the Repair and Replacement Fund an amount equal to one-twelfth (1/12) of the Annual Repair and Replacement Fund Requirement, as will be set forth in a written direction of an Authorized Borrower Representative filed with the Trustee at least annually;

(h) there will be transferred to the Distributed Management Fee Fund an amount equal to the monthly amount required to be set aside to pay the Distributed Management Fee for the then current Fiscal Year pursuant to the Management Agreement, and the amounts in the Distributed Management Fee Fund will be applied to pay the Distributed Management Fee to the Manager on the date set forth in the Management Agreement, all as will be set forth in a written direction of an Authorized Borrower Representative filed with the Trustee;

(i) there will be transferred to the UCI Bonds Pooling Subaccount any amount required pursuant to the Loan Agreement;

(j) there will be paid to the Independent Engineer and the Insurance Consultant their fees for services rendered as Additional Loan Payments pursuant to the Loan Agreement as will be set forth in a written direction of an Authorized Borrower Representative filed with the Trustee; and

(k) any remaining amounts will be transferred to the Operations Contingency Fund.

***Bond Fund***. (a) There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Bond Fund." There will be deposited into the Bond Fund from the Revenue Fund amounts described above and all other moneys received by the Trustee under and pursuant to any of the provisions of the Loan Agreement when accompanied by written directions from the Borrower that such moneys are to be paid into the Bond Fund. Except as otherwise provided in the Indenture, moneys in the Bond Fund will be used solely to pay the principal of, and premium, if any, and interest on the Bonds. Not later than 1:00 p.m., New York time, on any date principal of, or premium or interest on any Bond is due (other than principal of Bonds to be paid from moneys in the Redemption Fund pursuant to the Indenture), the Trustee will withdraw moneys from the Bond Fund sufficient to make such payment and will make such payment to the Owner of such Bond entitled thereto.

(b) There is created by the Issuer and ordered established with the Trustee an account within the Bond Fund, to be designated the "Capitalized Interest Account." The Trustee may establish separate subaccounts within the Capitalized Interest Account with respect to each series of Additional Bonds.

(c) There will be deposited into the Capitalized Interest Account the amounts set forth in the Indenture.

(d) Upon the occurrence of an Event of Default, the Trustee may use moneys in the Bond Fund to pay the fees and expenses of the Trustee and to deposit amounts to the Rebate Fund pursuant to the Indenture prior to the making of any payments to the Bondholders. Except as provided in Article III of the Indenture or any corresponding article in an indenture supplemental to the Indenture, no part of Basic Loan Payments in the Bond Fund will be used to redeem, prior to maturity, a part of the Bonds Outstanding; provided, that whenever the amount in the Bond Fund from any source whatsoever is sufficient to redeem all of the Bonds Outstanding under the Indenture, to pay interest to accrue thereon to such redemption date and to pay all costs and expenses accrued and to accrue to such redemption date, if so directed by the Borrower pursuant to the Loan Agreement, the Issuer covenants and agrees to take and cause to be taken the necessary steps to redeem all of said Bonds on the immediately succeeding redemption date for which the required redemption notice may be given.

(e) The Issuer authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of, interest, and premium, if any, on the Bonds as the same become due and payable and to make said funds so withdrawn available to the paying agent or agents, if any, for the purpose of paying said principal, interest, and premium, if any, which authorization and direction the Trustee accepts.

(f) If on any Interest Payment Date there are insufficient funds in the Bond Fund with which to pay interest on, premium (if any) for and principal of the Bonds, the Trustee will transfer money to the Bond Fund from the following funds in the following order of priority (and in each case only to the extent necessary to pay such amounts on such date): first, the Surplus Fund, second, the Operations Contingency Fund, third, the Repair and Replacement Fund, fourth, the Coverage Reserve Fund, and fifth, the funds available to the Trustee under the Financing Trust Agreement.

***Redemption Fund***. There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Redemption Fund." There will be deposited into the Redemption Fund all moneys required to be transferred thereto or deposited therein pursuant to the Indenture, Loan Agreement. Moneys in the Redemption Fund will be used only to pay the principal of Bonds or that portion of the purchase price of Bonds corresponding to principal in the manner specified in the Indenture.

When (i) the amount of principal of, and premium, if any, and interest on the Outstanding Bonds is equal to or less than the sum of the balance of the Bond Fund, the balance of the Redemption Fund, the balance of the Repair and Replacement Fund, and the amount, if any, available to be paid to the Trustee for the Bonds under the Financing Trust Agreement, and (ii) all other amounts owed under the Loan Agreement and the Indenture will have been paid, moneys held in the Redemption Fund may be deposited into the Bond Fund and credited against payments of Loan Payments required under the Loan Agreement.

***Issuance Cost Fund***. There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Issuance Cost Fund," which will be used as a fund to pay Issuance Costs. Within the Issuance Cost Fund, there is created by the Issuer and ordered established separate accounts designated as the "2026 Account" and the "2027 Account." There will be deposited into the Issuance Cost Fund, the amounts specified in the Indenture. If any funds remain in the Issuance Cost Fund after payment of all Issuance Costs relating to the Series 2026 Bonds, upon the earlier of: receipt of a certificate of the Borrower stating that all Issuance Costs have been paid or 180 days from the Series 2026 Closing Date, the Trustee will transfer any funds remaining to the 2026 Account of the Construction Fund (as referred to in the Indenture). If any funds remain in the Issuance Cost Fund after payment of all Issuance Costs relating to the Series 2027 Bonds, upon the earlier of: receipt of a certificate of the Borrower stating that all Issuance Costs have been paid or 180 days from the Series 2027 Closing Date, the Trustee will transfer any funds remaining to the 2027 Account of the Bond Fund (as referred to in the Indenture).

***Construction Fund***. The Trustee will deposit into the Construction Fund as and when received by the Trustee any moneys paid to the Trustee under the Loan Agreement or the Indenture for credit or transfer to the Construction Fund. Moneys in the Construction Fund will be expended for Costs of the Project in accordance with the provisions of the Loan Agreement. Moneys in the Construction Fund will be disbursed upon receipt of a requisition for payment. The Trustee is authorized and directed to issue its checks for each disbursement required by the aforesaid provisions of the Loan Agreement. In the event that funds in the Construction Fund are not sufficient for the payment of Costs of the Project in full, the Trustee may transfer the amount of such deficiency from the Operations Contingency Fund, the Repair and Replacement Fund and/or the Surplus Fund.

***Liquidity Account under the Financing Trust Agreement***. There has been created pursuant to the Financing Trust Agreement a Liquidity Account to serve as a debt service reserve account securing on a parity basis the Bonds. Within the Liquidity Account, the Financing Trust Agreement establishes a UCI Bonds Pooling Subaccount and a UCI Bonds Redemption Subaccount therein, which will be used for the purposes set forth in the Financing Trust Agreement, including making payments of principal and interest and redemption premiums, if any, on the Bonds to the extent that insufficient funds are on deposit in the Bond Fund or other Funds described in paragraph (f) under the subheading "Bond Fund" above for such purposes. There will be transferred to the Master Trustee for deposit into the UCI Bonds Pooling Subaccount any funds paid to the Trustee under the Loan Agreement or the Indenture for credit or transfer to the UCI Bonds Pooling Subaccount. If the Borrower has exercised its option or is obligated to prepay the Loan in whole and not in part pursuant to the terms of the Loan Agreement, and has paid the sums as provided therein, the funds then in the UCI Bonds Pooling Subaccount and the UCI Bonds Redemption Subaccount within the Liquidity Account, subject to the provisions of the Financing Trust Agreement, may be transferred from the Master Trustee to the Trustee for deposit into the Bond Fund or otherwise returned to the Borrower. If the Trustee will receive written notice from the Master Trustee of any diminution in Value on the last day of each month or net losses from the investment of funds in the Liquidity Account that reduce the amount deposited therein or credited thereto to less than the Liquidity Account Requirement as determined in accordance with the Financing Trust Agreement, the Trustee will send notice of such deficit to the Borrower. If the Trustee sends notice to the Borrower pursuant to the preceding sentence, the Borrower will make payments sufficient to restore the Liquidity Account to an amount equal to the Liquidity Account Requirement in accordance with the Loan Agreement.

The Issuer authorizes and directs the Trustee to request the Master Trustee to withdraw funds from the Liquidity Account to pay the principal of, and interest and premium, if any, on (i) prior to the Series 2027 Closing Date, the Series 2017 Bonds, the Series 2021 Bonds or the Series 2026 Bonds, (ii) after the Series 2027 Closing Date, the Series 2021 Bonds, the Series 2026 Bonds or the Series 2027 Bonds on a parity basis to the extent that there are insufficient funds in the Bond Fund and the other Funds described in paragraph (f) under the subheading "Bond Fund" above therefor on the date such interest, principal, and premium, if any, is due, which authorization and direction the Trustee accepts.

When amounts are released from the UCI Bonds Pooling Subaccount or the UCI Bonds Redemption Subaccount as provided in the Financing Trust Agreement such funds may be deposited into the Bond Fund or Redemption Fund and applied as set forth in a certificate of The Regents filed with the Master Trustee). If, as a result of the valuation of the investments held in the UCI Bonds Pooling Subaccount the balance therein is greater than the amount required to be on deposit therein pursuant to the Financing Trust Agreement, any such amounts that are released from such subaccount will be applied in accordance with the Financing Trust Agreement.

***Insurance and Condemnation Funds***. There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Insurance Fund," a trust fund to be designated the "Condemnation Fund," and, within each of such Funds, the Series 2017 Account, the Series 2021 Account, the Series 2026 Account and the Series 2027 Account, all of which will be opened only if funds are required to be deposited therein as provided in the Loan Agreement. Notwithstanding anything to the contrary in the Indenture, any amounts required to be deposited in the Insurance Fund or in the Condemnation Fund in accordance with the Loan Agreement will be deposited in the applicable Account thereof, and, prior to the occurrence of an Event of Default, any amounts in an Account of the Insurance Fund or the Condemnation Fund may be used only to restore that portion of the Project in respect of which such Account was established, to acquire land and/or improvements in substitution for that portion of the Project in respect of which such Account was established, or to make payments on the series of Bonds in respect of which such Account was established.

***Operations Contingency Fund***. There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Operations Contingency Fund" into which will be transferred moneys remaining in the Revenue Fund after the disbursements described in the section of the Indenture titled "Revenue Fund".

Moneys on deposit in the Operations Contingency Fund may be used at any time to make deposits required to be made pursuant to subsections (a) to (j) under the subheading "Revenue Fund" above.

Subject to the immediately preceding paragraph, all amounts remaining in the Operations Contingency Fund on the last day of each Fiscal Year will be transferred to the Surplus Fund.

***Surplus Fund***. There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Surplus Fund." There will be deposited therein amounts from the Operations Contingency Fund as set forth in the Indenture.

Pursuant to the Indenture, amounts held in the Surplus Fund may be applied in accordance with a written requisition of the Borrower, approved by the Ground Lessor and filed with the Trustee for various purposes, including the following: (i) to restore the Coverage Reserve Fund to the Coverage Reserve Required Balance; (ii) to pay Ground Rent to the Ground Lessor pursuant to the Ground Lease; (iii) to establish and maintain a balance in the Repair and Replacement Reserve Fund in an amount not greater than the Minimum Repair and Replacement Fund Balance; (iv) to increase the amount on deposit in the Operations Contingency Fund; and (v) to the Ground Lessor for any lawful purpose, in all cases subject to the terms and conditions of, and only to the extent required by, the Ground Lease and the Indenture.

During any period in which the requirements for the application of the Surplus Fund set forth above are not satisfied, then the Issuer authorizes and directs the Trustee (i) to transfer funds from the Surplus Fund to the Bond Fund in accordance with paragraph (f) under the subheading "Bond Fund" above, and funds so transferred will be credited against payment of Basic Loan Payments required under the Loan Agreement. The Trustee will give written notice to the Borrower, the Issuer, the Ground Lessor and the Underwriter of any transfer pursuant to this paragraph.

***Repair and Replacement Fund***. There is created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Repair and Replacement Fund," which will be used solely for the purposes set forth in this section. The Trustee will deposit into the Repair and Replacement Fund as and when received by the Trustee any moneys paid to the Issuer under the Loan Agreement and the Indenture for credit or transfer to the Repair and

Replacement Fund in order to establish or maintain the Repair and Replacement Fund in an amount equal to the Minimum Repair and Replacement Fund Requirement.

The Issuer authorizes and directs the Trustee to withdraw funds from the Repair and Replacement Fund to pay (i) the budgeted maintenance and repair costs related to the Project, and (ii) the principal of, premium, if any, and interest on the Bonds pursuant to the Indenture.

When (i) the amount of principal of, and premium, if any, and interest on the Outstanding Bonds is equal to or less than the sum of the balance of the Bond Fund, the balance of the Redemption Fund, the balance of the Repair and Replacement Fund and the balance, if any, available to the Trustee pursuant to the Financing Trust Agreement, and (ii) all other amounts owed under the Loan Agreement and the Indenture will have been paid, moneys held in the Repair and Replacement Fund may be deposited into the Bond Fund and credited against payments of Loan Payments required under the Loan Agreement.

***Rebate Fund and Rebate Requirements***. A special Rebate Fund is established by the Issuer. Such fund will be for the sole benefit of the United States of America and will not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the purpose of complying with Section 148 of the Code and the Treasury Regulations promulgated pursuant thereto.

**Moneys to be Held in Trust**

All moneys required to be deposited with or paid to the Trustee for the account of the Revenue Fund, the Bond Fund, the Redemption Fund, the Issuance Cost Fund, the Construction Fund, the Repair and Replacement Fund, the Insurance Fund, the Condemnation Fund, the Coverage Reserve Fund, the Operations Contingency Fund, the Distributed Management Fee Fund, the Working Capital and Marketing Fund, the Deferred Construction Expense Fund, the Surplus Fund, or any other trust fund or reserve under any provision of the Indenture will be held by the Trustee in trust and will, while held by the Trustee, constitute part of the Trust Estate and be subject to the trust created by the Indenture and any lien or security interest granted with respect to the Trust Estate and will be and remain entitled to the benefit and will be subject to the security of the Indenture for the benefit of the Owners of the Bonds. The Trustee covenants that all moneys held in any fund under the Indenture and any collateral securing such funds are a part of the Trust Estate, and that the rights and interests of the Bondholders in and to such moneys and collateral are and, subject to the provisions of the Indenture with respect to the payment of the fees and expenses of the Trustee, will be superior to the claims of the creditors and depositors of the Trustee.

**Investment of Funds and Accounts**

Subject to the article of the Indenture concerning discharge of liens, any moneys held as part of the Revenue Fund, the Bond Fund, the Redemption Fund, the Issuance Cost Fund, the Construction Fund, the Repair and Replacement Fund, the Insurance Fund, the Condemnation Fund, the Working Capital and Marketing Fund, the Coverage Reserve Fund, the Deferred Construction Expense Fund, the Operations Contingency Fund, the Distributed Management Fee Fund, the Deferred Construction Expense Fund (with respect to the Series 2004 Bonds), the Series 2008 Deferred Construction Expense Fund, the Surplus Fund, reserves in connection with contested liens, or other special trust funds created under the Indenture, or other accounts or funds held by the Trustee, to the extent permitted by law will be invested and reinvested by the Trustee, at the written direction of and as specified by the Authorized Borrower Representative in accordance with the investment provisions of the Loan Agreement. In the absence of written investment instructions from the Authorized Borrower Representative, any moneys in such funds will be invested in investments of the type described in clause (vi) of the definition of Permitted Investments. Any such investments will be held by or under the control of the Trustee and will be deemed at all times a part of the Revenue Fund, the Bond Fund, the Redemption Fund, the Issuance Cost Fund, the Construction Fund, the Repair and Replacement Fund, the Insurance Fund, the Condemnation Fund, the Coverage Reserve Fund, the Distributed Management Fee Fund, the Deferred Construction Expense Fund, the Operations Contingency Fund, the Surplus Fund, reserve, other special trust fund, or other account or fund, as the case may be, and the interest accruing thereon and any profit realized from such investments will be credited as set forth in the Indenture, and any loss resulting from such investments will be charged to such fund. The Trustee is directed to sell and reduce to cash funds a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient for the uses prescribed for moneys held in such fund or account.

**Release of Indenture**

When (i) if the Bonds or a series of Bonds will have become due and payable in accordance with the terms thereof or otherwise as provided in the Indenture, the whole amount of the principal and the interest and premium, if any, so due and payable on all such Bonds is paid, and (ii) if the Bonds or a series of Bonds will not have become due and payable in accordance with the terms thereof, the Trustee holds sufficient Government Obligations, cash, or a combination of both, the principal of and the interest on which, when due and payable, will provide sufficient money to pay the principal of, and the interest and redemption premium, if any, on all such Bonds then Outstanding to the maturity date or dates of such Bonds or to the date or dates specified for the redemption thereof and the Issuer causes to be delivered to the Trustee a verification or other appropriate report to such effect issued by a nationally recognized firm of certified public accountants, and (iii) if such Bonds are to be called for redemption, irrevocable instructions to call such Bonds for redemption have been given by the Issuer to the Trustee and (iv) sufficient funds have also been provided or provision made for paying all other obligations payable under the Indenture with respect thereto by the Issuer, then and in that case the right, title, and interest of the Trustee in the Funds and Accounts, if any, established with respect to such Bonds or series of Bonds will then cease, determine, and become void and, on demand of the Issuer and on being furnished with an opinion, in form and substance satisfactory to the Trustee, of counsel approved by the Trustee, to the effect that all conditions precedent to the release of the Indenture or that portion of the Trust Estate relating to such series of Bonds will have been satisfied, the Trustee will release the Indenture or that portion of the Trust Estate relating to such series of Bonds and will execute such documents to evidence such release as may be reasonably required by the Issuer and will transfer to the Borrower any surplus in, and all balances remaining in, all such Funds and Accounts.

In addition, whenever Bonds are to be defeased pursuant to the Indenture, the Trustee will have received the following:

(i) in the event that the Bonds are issued in connection with a refunding, an escrow agreement that will provide the following:

(A) any substitution of securities will require a verification report prepared and furnished by a certified public accountant;

(B) the Borrower will not exercise any optional redemption of Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition of any such redemption there will be provided to the Trustee a verification report prepared and furnished by a certified public accountant as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following such redemption;

(ii) in the event that the Bonds are issued in connection with a refunding, an opinion of counsel regarding the validity and enforceability of the escrow agreement;

(iii) in the event that the Bonds are issued in connection with a refunding, a verification report prepared and furnished by a certified public accountant; and

(iv) in the event that the Bonds are issued in connection with a refunding, an opinion of counsel that (A) the escrow deposit will not constitute a voidable preference or transfer under the Federal Bankruptcy Code or any other similar state or federal statute in the event the Borrower becomes a debtor within the meaning of the Federal Bankruptcy Code or comes within the protection of such similar state or federal statute ("Insolvency Event"), and (B) in such Insolvency Event, the escrow deposit will not be treated as part of the estate of the Borrower.

**Events of Default**

Each of the following events is declared an Event of Default under the Indenture:

(a) payment of any installment of interest on any Bond will not be made by or on behalf of the Issuer when the same becomes due and payable; or

(b) payment of the principal of or the redemption premium, if any, on any Bond will not made by or on behalf of the Issuer when the same becomes due and payable, whether at maturity or by proceedings for redemption or pursuant to a Sinking Fund Requirement or otherwise; or

(c) the failure to perform in a punctual manner any other of the covenants, conditions, agreements, or provisions contained in the Indenture or any agreement supplemental to the Indenture or thereto and the continuation of such failure for 30 days after receipt by the Issuer of a written notice from the Trustee specifying such default and requiring the same to be remedied, provided, however, that if such performance requires work to be done, action to be taken, or conditions to be remedied, that by their nature cannot reasonably be done, taken or remedied, as the case may be, within such 30 day period or other period, no Event of Default will be deemed to have occurred or to exist if, and so long as, the Issuer will begin such performance within such period and will diligently and continuously prosecute the same to completion; or

(d) subject to the terms of the final paragraph under the heading "Events of Default Defined" in the summary of the Loan Agreement below, an "Event of Default" will have occurred and be continuing after expiration of any notice and cure period under any of the Borrower Documents other than the Financing Trust Agreement or the Continuing Disclosure Agreement.

**Acceleration of Maturities**

On the happening and continuance of any Event of Default, the Trustee may, and at the written request of the Requisite Number of Bondholders will, by notice in writing to the Issuer, the Borrower, and the Trustee, declare the principal of all Bonds then Outstanding (if not then due and payable) to be due and payable immediately, and on such declaration the same will become and be immediately due and payable. Upon such declaration, interest on the Bonds will cease to accrue, and the Trustee will promptly notify the Owners of the Bonds of such declaration and that interest on the Bonds will have ceased to accrue on and as of the date of such declaration. If at any time after the principal of Bonds will 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 Event of Default, or before the completion of the enforcement of any other remedy under the Indenture, money will have accumulated in the Bond Fund sufficient to pay the principal of all matured Bonds and all arrears of interest, if any, on all Bonds then Outstanding (except the principal of any Bonds not then due and payable by their terms and the interest accrued on such Bonds since the last interest payment date), and the charges, compensations, expenses, disbursements, advances, and liabilities of the Trustee and all other amounts then payable by the Issuer under the Indenture will have been paid or a sum sufficient to pay the same will have been deposited with the Trustee, and every other failure known to the Trustee in the observance or performance of any covenant, condition, or agreement contained in the Bonds or in the Indenture (other than a failure to pay the principal of such Bonds then due only because of a declaration under the Indenture) will have been remedied to the reasonable satisfaction of the Trustee, then and in every such case the Trustee may, and at the written request of the Owners of not less than 25% in aggregate principal amount of the Outstanding Bonds not then due and payable by their terms (Bonds then due and payable only because of a declaration under the Indenture will not be deemed to be due and payable by their terms) will, by written notice to the Issuer, the Borrower, the Owners of the Bonds, and the Dissemination Agent, rescind and annul such declaration and its consequences, but no such rescission or annulment will extend to or affect any subsequent Event of Default or impair any right consequent thereon. Upon any declaration of acceleration under the Indenture, the Trustee will immediately proceed to exercise such rights as it may have under the Loan Agreement to declare all payments thereunder to be immediately due and payable and, to the extent it has not already done so.

Any amounts due and payable under the Loan Agreement may be separately and independently accelerated pursuant to the terms of the Loan Agreement, with or without the acceleration of the Bonds under the Indenture.

**Remedies Upon the Occurrence of an Event of Default**

Whenever any Event of Default will have occurred and be continuing, the Trustee may, and at the written request of the Owners of not less than 25% in principal amount of Bonds then Outstanding, will proceed, subject in all cases to the provisions of the Indenture, to protect and enforce its rights and the rights of the Owners under the laws of the State or under the Indenture by such suits, actions, or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained in the Indenture or in aid or execution of any power granted in the Indenture or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel chosen by the Trustee, will deem most effectual to protect and enforce such rights.

**Trustee May Bring Suit**

Upon the happening and continuance of any Event of Default, then and in every such case the Trustee may, and at the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding under the Indenture, will, proceed, subject in all cases to the provisions of the Indenture, to protect and enforce its rights and the rights of the Owners under the laws of the State under the Loan Agreement and the Indenture by such suits, actions, or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant, condition, or agreement contained in the Indenture or in aid or execution of any power granted in the Indenture or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, deems most effectual to protect and enforce such rights.

**Pro Rata Application of Funds**

All money received by the Trustee pursuant to any right given or action taken under the Indenture will, after payment of the costs and expenses of the proceedings resulting in the collection of such money and the fees and expenses of the Trustee, be deposited in the Bond Fund and applied to the payment of the principal of, redemption premium (if any) and interest then due and unpaid on the Bonds in accordance with the provisions of the Indenture. Anything in the Indenture to the contrary notwithstanding, if at any time the money in the Bond Fund is not sufficient to pay the interest on or the principal of Bonds as the same becomes due and payable (either by their terms or by acceleration of maturities under the provisions of the Indenture), such money, together with any money then available or thereafter becoming available for such purpose will be applied as follows:

(i) if the principal of all Bonds will not have become or will not have been declared due and payable, all such money will be applied as follows:

first: to the payment to the persons entitled thereto of all installments of interest on Bonds then due and payable in the order in which such installments became due and payable and, if the amount available will not be sufficient to pay in full any particular installment, then to the payment, 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 such Bonds;

second: to the payment to the persons entitled thereto of the unpaid principal of any Bonds that have become due and payable (other than Bonds deemed to have been paid under the "Discharge of Liens" section of the Indenture), in the order of their due dates, and, if the amount available will not be sufficient to pay in full the principal of Bonds due and payable on any particular date, then to the payment ratably according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and

third: to the payment of the interest on and the principal of Bonds, to the purchase and retirement of Bonds, and to the redemption of Bonds, all in accordance with the Indenture;

(ii) if the principal of all Bonds will have become or have been declared due and payable, all such money will be applied to the payment of principal and interest then due on 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 privilege; and

(iii) if the principal of all Bonds has been declared due and payable and if such declaration thereafter will have been rescinded and annulled under the Indenture, then, subject to clause (ii) above, if the principal of all Bonds later becomes due and payable or is declared due and payable, the money then remaining in and thereafter accruing to the Bond Fund will be applied in accordance with clause (i) above.

**Acceptance of the Trusts**

The Trustee accepts the trusts imposed upon it by the Indenture, represents and covenants that it is fully empowered under applicable laws and regulations to accept said trusts, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations will be read into the Indenture against the Trustee:

The Trustee, prior to the occurrence of an Event of Default and after the waiving or curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Indenture. In case an Event of Default has occurred (which has not been cured or waived), the Trustee will exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

The Trustee will not be responsible for any recital contained in the Indenture or in the Bonds (except in respect to the authentication certificate of the Trustee endorsed on the Bonds) or for insuring the property conveyed by the Indenture or for collecting any insurance moneys or for the validity of the execution by the Issuer of the Indenture or any supplemental indentures to the Indenture or instruments of further assurance or for the sufficiency of the Security for the Bonds issued under the Indenture or intended to be secured by the Indenture or for the value or title of the property conveyed by the Indenture or otherwise as to the maintenance of the security of the Indenture; except that in the event the Trustee enters into possession of a part or all of the property conveyed by the Indenture pursuant to any provision of the Indenture, it will use the same degree of care and skill in the performance of its duties as a prudent person would exercise under the circumstances in the conduct of his or her own affairs in preserving such property. The Trustee will not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the Issuer or on the part of the Borrower under the Indenture or the Loan Agreement except as expressly set forth in the Indenture. The Trustee will perform all of the duties or obligations set forth for it under the Loan Agreement, but will not be answerable for the performance of any such duty or obligation for other than its negligence, bad faith or willful misconduct.

The Trustee will not be required to take notice or be deemed to have notice of any failure on the part of the Issuer to comply with the terms of the Indenture or the Borrower to comply with the terms of the Loan Agreement except as may be specified in the Indenture.

The Trustee will not be liable and will be fully protected with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of 25% in aggregate principal amount of the Outstanding Bonds relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the Indenture.

**Notice to Bondholders if Payment Default Occurs**

If the Borrower or the Issuer fails to comply with the Loan Agreement or the Indenture, respectively, the occurrence of which the Trustee is by the Indenture required to take notice or if notice of a failure to comply is given by the Issuer or the Borrower, the Trustee will give such notice to the Borrower and the Issuer as is specified in the Indenture and such notice to the Borrower as is specified in the Loan Agreement and will give written notice thereof by first-class mail, within 15 days (unless such failure to comply is cured or waived), to the Owners of all Bonds then Outstanding shown by the Bond Register, provided that, except in the case of a failure to make due and punctual payment of the principal of, or premium, if any, or interest on any Bond, the Trustee may withhold such notice to the Bondholders if and so long as the board of directors, the executive committee, or a trust committee of directors or responsible officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Bondholders.

**Successor Trustee**

Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell, lease, or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party, ipso facto, will, upon prior written notice to the Issuer, be and become successor trustee under the Indenture and vested with all of the title to the Trust Estate and all the trusts, powers, rights, obligations, duties, remedies, discretions, immunities, privileges, and all other matters as was its predecessor, without the execution or filing of any instruments (other than such prior written notice to the Issuer) or any further act, deed, or conveyance on the part of any of the parties to the Indenture.

**Resignation by the Trustee**

The Trustee and any successor trustee may at any time resign from the trusts created by the Indenture by giving 30 days' written notice to the Issuer, to the Borrower, to each Rating Agency, if any, then rating any series of Bonds, and, by first-class (postage prepaid) mail, to each Bondholder shown on the Bond Register, and such resignation will take effect at the appointment of a successor trustee pursuant to the Indenture and acceptance by the successor trustee of such trusts. Such notice to the Issuer, to the Borrower, and to each Rating Agency, if any, then rating any series of Bonds may be served personally or sent by registered or certified mail.

**Removal of the Trustee**

The Trustee may be removed at any time (i) by the Issuer, (ii) by an instrument or concurrent instruments in writing delivered to the Trustee and to the Issuer and signed by a Majority of the Bondholders, or (iii) by an instrument in writing delivered to the Trustee and to the Issuer signed by the Borrower, provided no Event of Default under the Indenture or the Loan Agreement will have occurred and be continuing. Removal of the Trustee pursuant to (i) or (ii) above will not be effective until a successor or temporary Trustee will have been appointed pursuant to the Indenture and the Trustee will have paid for all Ordinary Services and Extraordinary Services of the Trustee rendered under the Indenture and for all Ordinary Expenses and Extraordinary Expenses of the Trustee incurred under the Indenture.

**Appointment of Successor Trustee**

(a) In case the Trustee under the Indenture will (i) resign or be removed or (ii) be dissolved or will be in the course of dissolution or liquidation, or in case it will be taken under the control of any public officer or officers or of a receiver appointed by a court or otherwise become incapable of acting under the Indenture, a successor may be appointed by an instrument executed and signed by the Chairman and attested by the Secretary of the Issuer under seal and executed by an officer of the Borrower; provided, that if a successor trustee is not so appointed within 10 days after notice of resignation is mailed or an instrument of removal is delivered in connection with resignation by the Trustee or removal of the Trustee, respectively, or within 10 days of the Issuer's knowledge of any of the events specified in (ii) hereinabove, then a Majority of the Bondholders, by an instrument or concurrent instruments in writing signed by or on behalf of such Owners, delivered personally or sent by registered or certified mail to the Issuer and the Borrower, may designate a successor trustee. Every such successor trustee appointed pursuant to the provisions of this section will be a trust company or bank organized under the laws of the United States of America or any state thereof that is in good standing within or outside the State, will be eligible to serve as trustee, bond registrar, and paying agent under applicable law, will be duly authorized to exercise trust powers and subject to examination by federal or state authority, will have a reported combined capital, surplus, and undivided profits of not less than $75,000,000, will be an institution willing, qualified, and able to accept the trusteeship upon the terms and conditions of the Indenture.

(b) In case at any time the Trustee will resign and no appointment of a successor trustee will be made pursuant to the foregoing provisions of this section prior to the date specified in the notice of resignation as the date when such resignation will take effect, the Owner of any Bond or the resigning Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor Trustee.

**Amendments to Indenture and Supplemental Indentures Not Requiring Consent of Bondholders**

The Issuer and the Trustee may, without the consent of or notice to any of the Bondholders, enter into an amendment to the Indenture or an indenture supplemental to the Indenture for any one or more of the following purposes: (i) to cure any error, ambiguity, or formal defect or omission in, or to correct or supplement any defective provision of, the Indenture, (ii) to add to the covenants and agreements of, and limitations and restrictions upon, the Issuer in the Indenture other covenants, agreements, limitations, and restrictions to be observed by the Issuer for the protection of the Bondholders, (iii) to evidence the appointment of a separate trustee or a co-trustee, or the succession of a new trustee or the appointment of a new or additional paying agent or bond registrar, (iv) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, benefits, security, liabilities, duties, or authority that may lawfully be granted to or conferred or imposed upon the Bondholders or the Trustee or either of them, (v) to subject to the lien and security interest of the Indenture additional revenues, properties, or collateral, (vi) to modify, amend, or supplement the Indenture or any indenture supplemental to the Indenture in such manner as to permit the qualification of the Indenture and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of any Bonds for sale under the securities laws of any state, and, if they so determine, to add to the Indenture or any indenture supplemental to the Indenture such other terms, conditions, and provisions as may be permitted by the Trust Indenture Act of 1939, as amended, or any similar federal statute, (vii) to modify, amend, or supplement the Indenture in such manner to assure the continued exclusion of the interest on any Tax-Exempt Bonds from the gross income of the Owners thereof for federal income tax purposes, (viii) to comply with any provisions of the Securities Act of 1933, as amended or the Securities Exchange Act of 1934, as amended, or any rules or regulations promulgated thereunder, (ix) to reflect a change in applicable law provided that the Trustee will determine that such amendment or supplemental indenture does not prejudice the rights of Bondholders, (x) to make any other change in the Indenture that, in the judgment of the Trustee (which may be in reliance upon an opinion of counsel), will not prejudice or materially adversely affect the Bondholders or impair the Security, or (xi) to make any other change in the Indenture other than as described in items (i) through (vii) in the following section.

**Amendments to Indenture and Supplemental Indentures Requiring Consent of Bondholders**

Exclusive of amendments and indentures supplemental to the Indenture not requiring Bondholder consent and subject to the terms and provisions contained in the Indenture and not otherwise, the Requisite Number of Bondholders will have the right, from time to time, to consent to and approve the execution by the Issuer and the Trustee of an amendment to the Indenture or such indenture supplemental to the Indenture as will 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 the Indenture, in any amendment to the Indenture, or in any supplemental indenture; provided, however, that nothing contained in the Indenture will permit, or be construed as permitting: (i) an extension of the stated maturity or reduction in the principal amount of, or a reduction in the rate or an extension of the time of payment of interest on, or a reduction of any premium payable on the redemption of, any Bonds, without the consent of every Owner of such Bonds, or (ii) the creation of any lien or security interest (other than any Permitted Encumbrances exclusive of that described in clause (vi) of the definition thereof) prior to or on a parity with the lien and security interest of the Indenture, without the consent of the Owners of all the Bonds at the time Outstanding that would be affected by the action to be taken, or (iii) a reduction in the amount, or an extension of the time of any payment, required by the mandatory sinking fund redemption provisions of the Indenture, without the consent of the Owners of all the Bonds at the time Outstanding that would be affected by the action to be taken, or (iv) a reduction in the aforesaid aggregate principal amount of Bonds the Owners of which are required to consent to any such amendment or supplemental indenture, without the consent of the Owners of all the Bonds at the time Outstanding that would be affected by the action to be taken, or (v) the modification of the trusts, powers, obligations, remedies, privileges, rights, duties, or immunities of the Trustee, without the written consent of the Trustee, or (vi) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (vii) the release of or requirements for the release of the Indenture, without the consent of the Owners of all the Bonds at the time Outstanding that would be affected by the action to be taken.

If the Borrower is not in default under the Loan Agreement at such time, an amendment to the Indenture or supplemental indenture under the Indenture that affects any rights or obligations of the Borrower or that changes the priority or use of moneys under the Indenture will not become effective unless and until the Borrower will have consented to the execution and delivery of such amendment or supplemental indenture.

**Springing Amendment to Indenture**

(a) Pursuant to the Sixth Supplemental Indenture, the Indenture was amended and restated in its entirety as follows to remove the requirement that Additional Bonds may only be issued pursuant to the Indenture if the issuance of such Additional Bonds will not result in the reduction of any such rating:

> "(c) No Additional Bonds may be issued without written confirmation from each Rating Agency then providing an underlying rating on the Outstanding Bonds that the issuance of such Additional Bonds will not result in the underlying rating on the Outstanding Bonds being below Baa3 (or the equivalent rating)."

(a) The Sixth Supplemental Indenture provided that such amendment shall become effective when the Series 2021 Bonds and Bonds issued pursuant to the Indenture after the effective date of the Sixth Supplemental Indenture constitute at least two-thirds (2/3) of the aggregate principal amount of the Bonds then Outstanding. The purchase of the Series 2026 Bonds shall constitute the consent of such purchasers, as Bondholders, to the amendment in this section as required by the Indenture and, therefore, the two-third requirement shall have been satisfied by the consent of the purchasers of the Series 2021 Bonds and the Series 2026 Bonds, and such amendment shall be effective

**Provisions Relating to the Insured Series 2026/2027 Bonds**

Notwithstanding anything to the contrary contained in the Seventh Supplemental Indenture, as it relates to the Insured Series 2026 Bonds and the Eighth Supplemental Indenture, as it relates to the Insured Series 2027 Bonds, the following provisions will apply to the Insured Series 2026/2027 Bonds.

***Notice and Other Information to be given to BAM***. The Issuer will provide BAM with all notices and other information it is obligated to provide to the holders of Insured Series 2026/2027 Bonds or the Trustee under the Indenture.

***Defeasance***. The investments in the defeasance escrow relating to Insured Series 2026/2027 Bonds will be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise maybe authorized under State law and approved by BAM.

At least (three) 3 Business Days prior to any defeasance with respect to the applicable series of Insured Series 2026/2027 Bonds, the Trustee will deliver to BAM draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the applicable series of Insured Series 2026/2027 Bonds, a verification report (a ***"Verification Report"***) prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report will be addressed to BAM and will be in form and substance satisfactory to BAM. In addition, the escrow agreement will provide that:

(i) Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Insured Obligations is excludable) from gross income of the holders of the Insured Obligations of the interest on the Insured Obligations for federal income tax purposes and the prior written consent of the Bond Insurer, which consent will not be unreasonably withheld.

(ii) The Borrower will not exercise any prior optional redemption of Insured Series 2026/2027 Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there will be provided to BAM a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

(iii) The Borrower will not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of BAM.

***Trustee and Paying Agent***.

(i) BAM will receive prior written notice of any name change of the trustee (the ***"Trustee"***) or, if applicable, the paying agent (the ***"Paying Agent"***) for the Insured Series 2026/2027 Bonds or the resignation or removal of the Trustee or, if applicable, the Paying Agent. Any Trustee must be (A) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least $250 million of assets, (B) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least $1 billion of assets, or (C) otherwise approved by BAM in writing.

(ii) No removal, resignation or termination of the Trustee or, if applicable, the Paying Agent will take effect until a successor, meeting the requirements above or acceptable to BAM, will be qualified and appointed.

***Amendments, Supplements and Consents***. BAM's prior written consent is required for all amendments and supplements to the Indenture, with the exceptions noted below. The Trustee will send copies of any such amendments or supplements to BAM and the rating agencies which have assigned a rating to the Insured Series 2026/2027 Bonds. Any amendments or supplements to the Indenture will require the prior written consent of BAM with the exception of amendments or supplements:

(i) To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the Insured Series 2026/2027 Bonds Security Documents or in any supplement thereto, or

(ii) To grant or confer upon the holders of the applicable series of Insured Series 2026/2027 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the holders of the applicable series of Insured Series 2026/2027 Bonds, or

(iii) To add to the conditions, limitations and restrictions on the issuance of bonds or other obligations under the provisions of the Insured Series 2026/2027 Bonds Security Documents other conditions, limitations and restrictions thereafter to be observed, or

(iv) To add to the covenants and agreements of the Issuer or the Borrower in the Insured Series 2026/2027 Bonds Security Documents other covenants and agreements thereafter to be observed by the Issuer or the Borrower or to surrender any right or power therein reserved to or conferred upon the Issuer or the Borrower, or

(v) To issue Additional Bonds under the Indenture and Series of Bonds under the Financing Trust Agreement in accordance with the requirements set forth in the Indenture and the Financing Trust Agreement, respectively.

***Consent of BAM in Addition to Bondholder Consent***. Whenever any Insured Series 2026/2027 Bonds Security Document require the consent of holders of the applicable series of Insured Series 2026/2027 Bonds, BAM's consent will also be required. In addition, any amendment, supplement, modification to, or waiver of, any of the Insured Series 2026/2027 Bonds Security Documents that adversely affects the rights or interests of BAM will be subject to the prior written consent of BAM.

***Insolvency***. Any reorganization or liquidation plan with respect to the Borrower must be acceptable to BAM. Each owner of the Insured Series 2026/2027 Bonds appoints BAM as its agent and attorney-in-fact with respect to the applicable series of Insured Series 2026/2027 Bonds and agrees that BAM may at any time during the continuation of any proceeding by or against the Issuer or Borrower under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an ***"Insolvency Proceeding"***) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a ***"Claim"***), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, owners of the Insured Series

2026/2027 Bonds delegate and assign to BAM, to the fullest extent permitted by law, the rights of each owner of the Insured Series 2026/2027 Bonds with respect to the applicable series of Insured Series 2026/2027 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

***Control by BAM Upon Default***. Anything in the Insured Series 2026/2027 Bonds Security Documents to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM will be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the applicable series Insured Series 2026/2027 Bonds or the Trustee or Paying Agent for the benefit of the holders of the Insured Series 2026/2027 Bonds under any Insured Series 2026/2027 Bonds Security Document. No default or event of default may be waived without BAM's written consent.

***BAM as Owner***. Upon the occurrence and continuance of a default or an event of default, BAM will be deemed to be the sole owner of the Insured Series 2026/2027 Bonds for all purposes under the Indenture, including, without limitations, for purposes of exercising remedies and approving amendments.

***Grace Period for Payment Defaults***. No grace period will be permitted for payment defaults on the Insured Series 2026/2027 Bonds. No grace period for a covenant default will exceed 30 days without the prior written consent of BAM.

***Special Provisions for Insurer Default***. If an Insurer Default will occur and be continuing, then, notwithstanding anything in the preceding paragraphs to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM will be treated like any other holder of the applicable series Insured Series 2026/2027 Bonds for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM will have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) will control. For purposes of this paragraph, "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM will (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality will order the suspension of payments on the Policy or will obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

***BAM As Third Party Beneficiary***. BAM is recognized as and will be deemed to be a third party beneficiary of the Insured Series 2026/2027 Bonds Security Documents and may enforce the provisions of the Insured Series 2026/2027 Bonds Security Documents as if it were a party thereto.

***Payment Procedure Under the Policy***.

(i) In the event that principal and/or interest due on a series of Insured Series 2026/2027 Bonds will be paid by BAM pursuant to the Policy, the applicable series of Insured Series 2026/2027 Bonds will remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the Trust Estate and all covenants, agreements and other obligations of the Issuer to the registered owners will continue to exist and will run to the benefit of BAM, and BAM will be subrogated to the rights of such registered owners.

(ii) In the event that on the second (2nd) Business Day prior to any payment date on the applicable series of Insured Series 2026/2027 Bonds, the Paying Agent or Trustee has not received sufficient moneys to pay all principal of and interest on the applicable series of Insured Series 2026/2027 Bonds due on such payment date, the Paying Agent or Trustee will immediately notify BAM or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Paying Agent or Trustee will so notify BAM or its designee.

(iii) In addition, if the Paying Agent or Trustee has notice that any holder of the Insured Series 2026/2027 Bonds has been required to disgorge payments of principal of or interest on the Insured Series 2026/2027 Bonds pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the Paying Agent or Trustee will notify BAM or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of BAM.

(iv) The Paying Agent or Trustee will irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Insured Series 2026/2027 Bonds as follows:

(A) If there is a deficiency in amounts required to pay interest and/or principal on the Insured Series 2026/2027 Bonds, the Paying Agent or Trustee will (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holders of the applicable series of Insured Series 2026/2027 Bonds in any legal proceeding related to the payment and assignment to BAM of the claims for interest on the Insured Series 2026/2027 Bonds, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment from BAM with respect to the claims for interest so assigned, (iii) segregate all such payments in a separate account (the ***"BAM Policy Payment Account"***) to only be used to make scheduled payments of principal of and interest on the applicable Insured Series 2026 Bond or Insured Series 2027 Bond, and (iv) disburse the same to such respective holders; and

(B) If there is a deficiency in amounts required to pay principal of a series of Insured Series 2026/2027 Bonds, the Paying Agent or Trustee will (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holder of the applicable series of Insured Series 2026/2027 Bonds in any legal proceeding related to the payment of such principal and an assignment to BAM of the applicable Insured Series 2026/2027 Bonds surrendered to BAM, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment therefore from BAM, (iii) segregate all such payments in the BAM Policy Payment Account to only be used to make scheduled payments of principal of and interest on such Insured Series 2026 Bond or Insured Series 2027 Bond, as applicable, and (iv) disburse the same to such holders.

(v) The Trustee will designate any portion of payment of principal on the applicable series of Insured Series 2026/2027 Bonds paid by BAM, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of the applicable series of Insured Series 2026/2027 Bonds registered to the then current holder, whether DTC or its nominee or otherwise, and will issue a replacement Insured Series 2026 Bond or Insured Series 2027 Bond, as applicable, to BAM, registered in the name directed by BAM, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Insured Series 2021 Bond will have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2021 Bond or the subrogation or assignment rights of BAM.

(vi) Payments with respect to claims for interest on and principal of Insured Series 2026/2027 Bonds disbursed by the Paying Agent or Trustee from proceeds of the Policy will not be considered to discharge the obligation of the Issuer with respect to such Insured Series 2026/2027 Bonds, and BAM will become the owner of such unpaid Insured Series 2026/2027 Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise. The Insured Series 2026/2027 Bonds Security Documents will not be discharged or terminated unless all amounts due or to become due to BAM have been paid in full or duly provided for.

(vii) Irrespective of whether any such assignment is executed and delivered, the Issuer and the Paying Agent and Trustee agree for the benefit of BAM that:

(A) They recognize that to the extent BAM makes payments directly or indirectly (e.g., by paying through the Paying Agent or Trustee), on account of principal of or interest on the Insured Series 2026/2027 Bonds, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon, as provided and solely from the sources stated in the Indenture and the Insured Series 2026/2027 Bonds; and

(B) They will accordingly pay to BAM the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Insured Series 2026/2027 Bonds, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Insured Series 2026/2027 Bonds to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

***Liquidity Account***. The prior written consent of BAM will be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Liquidity Account, if any.

***Exercise of Rights by BAM***. The rights granted to BAM under the Insured Series 2026/2027 Bonds Security Documents to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Policy. Any exercise by BAM of such rights is merely an exercise of the BAM's contractual rights and will not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Insured Series 2026/2027 Bonds and such action does not evidence any position of BAM, affirmative or negative, as to whether the consent of the holders of the Insured Series 2026/2027 Bonds or any other person is required in addition to the consent of BAM.

***Other Provisions***.

(i) BAM will be entitled to pay principal or interest on the Insured Series 2026/2027 Bonds that will become due for payment but will be unpaid by reason of nonpayment by the Issuer (as such terms are defined in the Policy) and any amounts due on the Insured Series 2026/2027 Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not BAM has received a claim upon the Policy.

(ii) No contract will be entered into or any action taken by which the rights of BAM or security for or source of payment of the Insured Series 2026/2027 Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of BAM.

(iii) If an event of default occurs under any agreement pursuant to which any Obligation of the Borrower has been incurred or issued and that permits the holder of such Obligation or trustee to accelerate the Obligation or otherwise exercise rights or remedies that are adverse to the interest of the holders of the Insured Series 2026/2027 Bonds or BAM, as BAM may determine in its sole discretion, then an event of default will be deemed to have occurred under the Indenture. For purposes of the foregoing "Obligation" will mean any bonds, loans, certificates, installment or lease payments or similar obligations that are payable and/or secured on a parity or subordinate basis to the Insured Series 2026/2027 Bonds.

## THE LOAN AGREEMENT

### Borrower Constraints

(a) The Borrower covenants to comply with the various constraints throughout the term of the Loan Agreement.

(b) The Borrower covenants and agrees that until all of its indebtedness and obligations under the Loan Agreement have been fully paid and discharged, the Borrower will not directly or indirectly, incur, assume or guarantee any Indebtedness (secured or unsecured) except:

> (i) Additional non-recourse indebtedness secured by a lien, which indebtedness is not a general obligation of the Borrower, and the liability for which indebtedness is limited to the property subject to such lien with no recourse, directly or indirectly, to Project Gross Revenues or any other property of the Borrower; or

(ii) Indebtedness with respect to which there will be furnished to the Trustee a certificate of the chief financial officer of the Borrower confirming that (A) for the Fiscal Year next preceding the issuance of such Indebtedness the Fixed Charges Coverage Ratio was at least 1.2:1.0, and (B) based on a written report of a Financial Consultant accompanying such certificate, the Fixed Charges Coverage Ratio for the first full Fiscal Year following completion of improvements to the Project financed with the proceeds of such Indebtedness is reasonably expected to be at least 1.2:1.0, or

(iii) Indebtedness with respect to which there will be furnished to the Trustee a certificate of the chief financial officer of the Borrower confirming that (A) such Indebtedness is issued in order to refund Bonds previously issued, and (B) following the issuance of such Indebtedness, Annual Debt Service will be reduced.

(c) The Borrower will take such action necessary to ensure that the Borrower is a separate and distinct entity separate from any other member or Affiliate which action will include:

(i) maintain books, financial records and bank accounts (including checking and other bank accounts and custodian and other securities safekeeping accounts) that are separate and distinct from the books, financial records and bank accounts of any other Person or entity;

(ii) not commingle any of its assets, funds, liabilities or business functions with the assets, funds, liabilities or business functions of any other Person or entity;

(iii) pay its own liabilities, losses and expenses only out of its own funds;

(iv) maintain separate annual financial statements prepared in accordance with generally accepted accounting principles, consistently applied, showing its assets and liabilities separate and distinct from those of any other Person or entity;

(v) in the event the financial statements of the Borrower are consolidated with the financial statements of any other Person or entity, cause to be included in such consolidated financial statements a narrative description of the separate assets, liabilities, business functions, operations and existence of the Borrower to ensure that such separate assets, liabilities, business functions, operations and existence are readily distinguishable by any person or entity receiving or relying upon a copy of such consolidated financial statements;

(vi) not guarantee or become obligated for the debts or obligations of any other entity or Person;

(vii) to the extent that the Borrower and any of its Affiliates occupy any premises in the same location, allocate fairly, appropriately and nonarbitrarily any rent and overhead expenses among and between such entities with the result that each entity bears its fair share of all such rent and expenses;

(viii) maintain an arm's-length relationship with its affiliates and enter into transactions with affiliates only on a commercially reasonable basis;

(ix) not pledge its assets for the benefit of any other Persons or entity;

(x) not materially amend, alter or repeal any material provision of the Borrower's Articles of Organization if any Bonds are outstanding.

**The Loans**

(a) The Issuer agrees to lend to the Borrower, and the Borrower agrees to borrow from the Issuer, the proceeds of the sale of the Series 2026 Bonds for the purposes of financing the Costs of the Series 2026 Project, refinancing the costs of the Series 2004 Project and the Series 2008 Project, funding a portion of the UCI Bonds Pooling Subaccount within the Liquidity Account pursuant to the Financing Trust Agreement and such other funds required pursuant to the Indenture, capitalized interest, working capital, costs of marketing the Series 2026 Project and paying certain Issuance Costs in accordance with the terms of the Loan Agreement and the Indenture. The deposit of the proceeds of the sale of the Series 2026 Bonds, as provided in the Indenture, will constitute the loan of such proceeds from the Issuer to the Borrower. Such proceeds will be applied as provided in the Indenture. The Borrower will repay the Series 2026 Loan as provided in the Loan Agreement.

(b) The Issuer agrees to lend to the Borrower, and the Borrower agrees to borrow from the Issuer, the proceeds of the sale of the Series 2027 Bonds for the purposes of refinancing the costs of the Series 2017 Project, funding a portion of the UCI Bonds Pooling Subaccount within the Liquidity Account pursuant to the Financing Trust Agreement and such other funds required pursuant to the Indenture and paying certain Issuance Costs in accordance with the terms of the Loan Agreement and the Indenture. The deposit of the proceeds of the sale of the Series 2027 Bonds, as provided in the Indenture, will constitute the loan of such proceeds from the Issuer to the Borrower. Such proceeds will be applied as provided in the Indenture. The Borrower will repay the Series 2027 Loan as provided in the Loan Agreement.

(b) The Borrower's obligation to repay the Loan, together with premium, if any, and interest thereon, is more fully described herein under the caption "Basic Loan Payments." The Borrower will make payments on the Loan and will be liable therefor at times and in amounts sufficient to pay when due all principal of (whether at maturity, by mandatory redemption or otherwise) and interest and premium, if any, on all Bonds from time to time Outstanding under the Indenture.

**Security for Payments Under the Bonds**

As security for the payment of the Bonds, the Issuer will execute and deliver the Indenture, under the terms of which all of the right, title, interest, and remedies of the Issuer in the Loan Agreement (except the Unassigned Rights), the Financing Trust Agreement, the Leasehold Deed of Trust, and the Assignment of Construction Documents, together with all revenues and amounts to be received and all property to be held by the Issuer thereunder, will be assigned and will be the subject of a grant of a first priority security interest to the Trustee and will be pledged as security for, among other things, the payment of the Bonds. The Borrower consents to such assignment and grant of a first priority security interest and agrees that its obligations to make all payments under the Loan Agreement will be absolute and will not be subject to any defense, except payment, or to any right of setoff, counterclaim, or recoupment arising out of any breach by the Issuer of any obligation to the Borrower, whether under the Loan Agreement or otherwise, or arising out of any indebtedness or liability relating to the Project at any time owing to the Borrower by the Issuer. The Borrower further agrees that all Basic Loan Payments required to be made under the Loan Agreement will be paid directly to the Trustee for the account of the Issuer. The Trustee will have all rights and remedies accorded to the Issuer in the Loan Agreement (except for Unassigned Rights), and any reference to the Issuer in the Loan Agreement will be deemed, with the necessary changes in detail, to include the Trustee, and the Trustee and the Bondholders are deemed to be and are third party beneficiaries of the representations, covenants, and agreements of the Borrower contained in the Loan Agreement.

**Title Insurance**

The Borrower will, prior to or simultaneously with the issuance of the Series 2026 Bonds, deliver to the Trustee one or more CLTA or ALTA mortgage policies (or a commitment to issue such policy) of title insurance or endorsements to such policies that were issued in connection with the Series 2004 Bonds, the Series 2006 Bonds, the Series 2008 Bonds, the Series 2011 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2021 Bonds or the Series 2026 Bonds issued by a title insurance company acceptable to the Underwriter and the Trustee in an aggregate coverage amount at least equal to the outstanding principal amount of the Outstanding Series 2026 Bonds. Any Net Proceeds payable either to the Issuer or the Borrower under such policy will be subject to the lien of the Indenture, will be paid to the Trustee and held by the Trustee in the Insurance Fund, and will, at the Borrower's written direction, be either (a) used to acquire or construct replacement or substitute property in Irvine, California for that to which title has been lost, or (b) used to redeem on a parity basis the Bonds pursuant to the Indenture. Any such replacement or substitute property must be approved in writing by the Authorized Issuer Representative and the Trustee.

**Design, Acquisition, Construction, Furnishing, and Equipping of the Series 2026 Project**

Promptly following the issuance and sale of the Series 2026 Bonds, the Borrower shall acquire the interest in the Premises created by the Series 2026 Ground Lease, cause the construction of the Series 2026 Building, and acquire and install therein the Series 2026 Equipment and the Series 2026 Offsite Elements. The Issuer hereby authorizes the Borrower to use the proceeds of the Series 2026 Bonds deposited into the Construction Fund to construct, furnish, and equip the Series 2026 Project and the Series 2026 Offsite Elements. The Borrower agrees (i) that it will exercise the foregoing authorizations given to it by the Issuer, (ii) that it will cause the Series 2026 Equipment to be acquired, and (iii) that the Series 2026 Project and the Series 2026 Offsite Elements have been and will be acquired and constructed substantially in accordance with the Plans and Specifications. The Borrower reasonably expects the Series 2026 Project and the Series 2026 Offsite Elements to be completed and the proceeds of the Series 2026 Bonds deposited in the Construction Fund to be expended within three (3) years from the Series 2026 Closing Date; subject to delays caused by matters outside the reasonable control of the Borrower, including without limitation earthquake, landslide, subsidence, flood, windstorm, collapse, boiler and machinery accidents, strikes, riot, civil commotion and sabotage. The Issuer will cause the Trustee to disburse sums in the Construction Fund or the Working Capital and Marketing Fund to the Borrower or to the appropriate payee not more than five (5) Business Days after receipt of the requisition; provided, however, that in the event there are insufficient funds in the Construction Fund or the Working Capital and Marketing Fund, as applicable, for such disbursement, the Issuer will cause the Trustee to disburse such sums as soon as sufficient funds are available thereafter.

The Borrower agrees that it will, at all times during the construction of the Series 2026 Project and the Series 2026 Offsite Elements, maintain or cause to be maintained in full force and effect Builder's Risk Completed Value Form insurance insuring all buildings, structures, boilers, equipment, facilities, fixtures, supplies and other property constituting part of the Series 2026 Project and the Series 2026 Offsite Elements on an "all risk of loss or damage basis" subject to standard exclusions including perils of earth movement, (including, but not limited to, earthquake, landslide, and subsidence), flood, windstorm, collapse, boiler and machinery accidents, strikes, riot, civil commotion and sabotage to the full replacement cost of the Series 2026 Project and the Series 2026 Offsite Elements, subject to policy sublimits, flood coverage shall have a sublimit of $25,000,000 per occurrence and a $25,000,000 aggregate, with a deductible provision not to exceed $100,000 or such larger deductible amount as may be approved by the Ground Lessor (as defined in the Ground Lease) and earth movement/earthquake coverage which shall have a sublimit of Twenty-Five Million Dollars ($25,000,000) per occurrence and a $25,000,000 aggregate, with the lowest commercially available deductible provisions, but in any case with deductibles not to exceed 5% of value at risk. The all other perils deductible shall not exceed One Hundred Thousand Dollars ($100,000) per occurrence and the water damage deductible shall not exceed Two Hundred Fifty Thousand Dollars ($250,000) per occurrence or such larger deductible amounts as may be approved by the Ground Lessor. Such policy or policies of insurance shall name the Issuer, the Borrower, the Developer, the Lessor, the general contractor and all subcontractors and the Trustee as insureds, as their respective interests may appear, and shall name the Trustee as mortgagee under a Standard Mortgagee Endorsement and as sole loss payee. Such policy or policies of insurance shall also provide that no act or omission or any breach or violation by any insured or any other person of warranties, declarations or conditions contained in the insurance policy or policies, any action or inaction of any insured or any other person or any foreclosure relating to the Series 2026 Project shall in any way prejudice the rights of the Issuer and Trustee thereunder, and all Net Proceeds received under such policy or policies shall be paid over to the Trustee and deposited into the Insurance Fund to be applied to the restoration and/or completion of the Series 2026 Project and the Series 2026 Offsite Elements or to the redemption of Series 2026 Bonds in accordance with the provisions of the Loan Agreement. Moneys held by the Trustee in the Insurance Fund shall be invested and disbursed, from time to time, as provided in the Loan Agreement. Said insurance policy or policies shall contain a provision that such insurance may not be canceled by the issuer thereof without at least thirty (30) days' advance written notice (except ten (10) days' advance written notice in the event of nonpayment of premiums). The Borrower shall promptly forward any notice of cancellation received to the Issuer, the Lessor and the Trustee. All such policies or copies thereof or certificates that such insurance is in full force and effect shall be delivered to the Trustee at or prior to delivery of the Series 2026 Bonds.

In addition, the Borrower shall cause the general contractor during the construction of the Series 2026 Project and the Series 2026 Offsite Elements to maintain: (i) commercial general liability insurance on an occurrence basis for liability of the general contractor or borrower, as an additional insured, arising out of claims for bodily injury and death and/or property damage including coverage for (A) explosion, collapse and underground hazards; (B) products/completed operations (which coverage shall remain in effect for a period of at least ten years following the Series 2026 Completion Date); (C) blanket contractual liability; (D) broad form property damage; (E) personal injury and advertising liability; (F) independent contractors; and (G) pollution liability arising out of hostile fire and explosion; with the following minimum limits: general aggregate (bodily injury and property damage) of Seven Million Five Hundred Thousand Dollars ($7,500,000); products/completed operations aggregate of Seven Million Five Hundred Thousand Dollars ($7,500,000); personal and advertising injury of Two Million Dollars ($2,000,000); and each occurrence of Two Million Dollars ($2,000,000), provided that policy general aggregates, if any, shall apply, to the extent available on commercially reasonable terms, separately on a per project aggregate basis to claims occurring with respect to the Series 2026 Project and the Series 2026 Offsite Elements, and the foregoing minimum limits may be satisfied by any combination of primary commercial general liability insurance and umbrella or excess liability insurance, provided that such umbrella or excess liability coverage is at least as broad as the underlying primary coverage; (ii) commercial automobile liability insurance for the liability of the general contractor arising out of claims for bodily injury and/or property damage covering all owned (if any), leased, hired, and non-owned vehicles used in the performance of the general contractor's obligations under the Construction Contracts with a minimum limit of $1,000,000 each accident and $3,000,000 annual aggregate for combined bodily injury and property damage and including personal injury protection and uninsured motorist protection in the minimum statutory limits where required by law, provided if the performance of the general contractor's obligations under the Construction Contracts involves the transportation or use of heavy equipment, machinery, or heavy-duty vehicles, such coverage shall be $5,000,000 per accident and $10,000,000 annual aggregate, and the foregoing minimum limits may be satisfied by any combination of primary business auto liability insurance and umbrella or excess liability insurance, provided that such umbrella or excess liability coverage is at least as broad as the underlying primary coverage; (iii) worker's compensation insurance as required by applicable state law with statutory limits; (iv) employers' liability insurance for liability of the general contractor arising out of injury to or death of general contractor's employees, with a minimum limit of $1,000,000 per accident, $1,000,000 by disease each employee, $1,000,000 by disease policy limit; and (v) contractor's pollution liability coverage for bodily injury, property damage, cleanup costs, and claim expenses resulting from the operations of the contractor and their subcontractors performed on the project site including coverage for microbial matter in the amount of $5,000,000 per occurrence and $5,000,000 annual aggregate; (vi) excess or umbrella liability insurance on an occurrence basis (on at least a following form basis, to the extent available on commercially reasonable terms), in excess of the underlying insurance described in this paragraph (c) except for the underlying contractor's pollution liability coverage, the "other insurance" provision of such excess or umbrella policy(s) shall be amended to provide additional insured coverage on a primary and noncontributory basis once the underlying coverage is exhausted, with a Twenty-Five Million Dollars ($25,000,000) combined bodily injury, death and property damage minimum limit per occurrence and a Twenty-Five Million Dollars ($25,000,000) aggregate. The Issuer, Borrower, Lessor, and Trustee shall be included as additional insureds for ongoing and completed operations under the general liability, automobile liability, excess or umbrella liability, and contractor's pollution liability policies on a primary and noncontributory basis. All coverages required by subsection (c) shall include a waiver of subrogation rights endorsement or language in favor of the additional insureds. Said insurance policy or policies required in this subsection (c) shall contain a provision that such insurance may not be canceled without at least thirty (30) days' advance written notice (except ten (10) days' advance written notice in the event of nonpayment of premiums). In the event the Contractor's insurance policies will not issue direct thirty (30) days' notice of cancellation (except ten (10) days' advance written notice in the event of nonpayment of premiums) to the Issuer, the Borrower, the Lessor, and the Trustee, the Contractor shall promptly forward any notices received to the aforementioned parties. Certificates of Insurance evidencing that such insurance is in full force and effect shall be delivered to the Trustee and the Issuer at or prior to issuance and delivery of the Series 2026 Bonds.

Notwithstanding the provisions of the Loan Agreement, commencing on the Series 2026 Completion Date, the Borrower will maintain business interruption insurance (also referred to as "business income" or "loss of rents insurance") covering loss of revenues and other income by the Borrower by reason of total or partial suspension of, or interruption in, the operation of the Series 2026 Project caused by damage or destruction insured under the property casualty insurance required pursuant to the 2026 Ground Lease of the Series 2026 Project in an amount not less than Annual Debt Service on the Series 2026 Bonds for the next succeeding twenty-four months (the deductible provisions for such business interruption insurance will not exceed thirty (30) days per occurrence) or such greater amount as may be approved in writing by the Ground Lessor. Unless otherwise insured under the commercial property policy, flood insurance under the National Flood Insurance Program within the minimum requirements and amounts required for federally financed or assisted loans under the Flood Disaster Protection Action of 1973, as amended, if the Series 2026 Project is eligible under such program.

The Borrower further agrees that the Construction Contracts will require the general contractor thereunder to deliver to the Trustee and the Issuer separate performance and labor and material payment bonds with respect to the applicable Construction Contracts, and in the full amount of such Construction Contracts, made by the contractor thereunder as the principal and a surety company, or companies, acceptable to the Underwriter; such bonds will be in such forms as are reasonably acceptable to the Underwriter. Said bonds will name the Borrower and the Trustee as the obligees, and all Net Proceeds received under said bonds will become a part of and be deposited into the Construction Fund, or if received after the Series 2026 Completion Date will be used to pay any obligation then owed by the Borrower under the Loan Agreement (including the funding of all reserve accounts to their required balances), and if any Net Proceeds remain, they will be paid to the Borrower. Any amounts recovered by way of penalties or damages, whether liquidated or actual, for delays in completion by a contractor will be deposited into the Bond Fund and used as provided in the Indenture.

The Borrower shall cause the Series 2026 Project and the Series 2026 Offsite Elements to be constructed substantially in accordance with the Plans and Specifications and the Construction Contracts and will require that the construction of the Series 2026 Project and the Series 2026 Offsite Elements be substantially in accordance with the Plans and Specifications will, when supplemented by the Equipment, result in a facility suitable for use by the Borrower as a student housing facility, educational facilities, and related facilities, including underground amenities including utility lines and facilities and fiber optics cables and that all real and personal property provided for therein is necessary or appropriate in connection with the Series 2026 Project. The Borrower may make changes in or additions to the Plans and Specifications for the Series 2026 Project and the Series 2026 Offsite Elements subject to Developer's approval; provided, however, that any Material Change Orders (as defined in the Ground Lease) shall be subject to approval by Lessor pursuant to the terms of the Ground Lease; provided, further, that changes in or additions to such Plans and Specifications that in the aggregate, cause an increase in the total cost of the Series 2026 Project and the Series 2026 Offsite Elements in excess of $100,000 shall be subject to the prior written approval of the Developer, the Inspecting Engineer and the Authorized Issuer Representative, and to the extent required or permitted by the Ground Lease, the University. Notwithstanding the foregoing, no consent or approval shall be required for any reallocation of amounts in the development budget by Developer.

The Borrower will provide the Inspecting Engineer with copies of all monthly disbursement requests, proposed change orders, proposed amendments to the construction budget or Plans and Specifications and any other documents relating to the Development Agreement requested by the Inspecting Engineer.

**Agreement Term**

The Loan Agreement became effective upon its execution and delivery and will be in full force and effect until the Bonds will have been fully paid (or provision for such payment will have been made as provided in the Indenture); provided, however, that the covenants and obligations expressed in the Loan Agreement to so survive will survive the termination of the Loan Agreement.

**Loan Payments and Other Amounts Payable**

In consideration of the issuance of the Series 2026 Bonds and the Series 2027 Bonds by the Authority and the loan of the proceeds thereof to the Borrower, the Borrower agrees that the principal of and interest on the loan of the proceeds of the Series 2026 Bonds, the principal of and interest on the loan of the proceeds of the Series 2027 Bonds and the principal of and interest on the loan of the proceeds of any other Series of Bonds pursuant to the Loan Agreement will be repaid by means of the Loan Payments, which the Borrower will pay to the Trustee for deposit in the Revenue Fund and which, in the aggregate, will be in an amount sufficient for the payment in full of all Bonds from time to time Outstanding under the Indenture, including (i) the total interest becoming due and payable on the Bonds, (ii) the total principal amount of the Bonds, and (iii) the redemption premiums, if any, that will be payable on the redemption of Bonds prior to their respective stated maturity dates; less the amount of other funds available for such payment as provided in the Indenture. The Loan Payments with respect to the Series 2026 Loan and the Series 2027 Loan will be due and payable in accordance with, including on the dates set forth in, the Loan Agreement as described below.

(a) *Basic Loan Payments*: (i) Until the principal of, and premium, if any, and interest on the Bonds will have been fully paid or provision for the payment thereof will have been made in accordance with the Indenture, the Borrower will pay to the Trustee for the account of the Issuer as Basic Loan Payments, in each case for deposit into the Bond Fund, amounts sufficient to pay the principal (whether at maturity, by acceleration, call for redemption, or otherwise) and purchase price of, and premium, if any, and interest on the Bonds as and when the same will become due and all other sums payable under the terms of the Bonds. The Borrower will pay to the Trustee for the account of the Issuer:

(A) on or before the 20th day of each month, a sum equal to 1/6th of the amount payable on the immediately succeeding Interest Payment Date as interest on the Bonds, or such lesser amount that, together with amounts already on deposit in the Bond Fund, will be sufficient to pay interest on the Bonds to become due on the immediately succeeding Interest Payment Date, as provided in the Indenture;

(B) on the dates set forth in any amendment or amendments to the Loan Agreement executed in connection with the issuance of Additional Bonds, the amount(s) set forth therein to be paid by the Borrower in respect of interest on such Additional Bonds;

(C) on or before May 20, 2004, and on or before the 20th day of each month thereafter, a sum equal to (1) one-twelfth (1/12th) of the principal due on the immediately succeeding May 15 that is a maturity date of the Bonds, or (2) one-twelfth (1/12th) of the amount required to retire Bonds under the mandatory sinking fund redemption requirements of the Indenture on the immediately succeeding May 15, as provided in the Indenture and Bond Purchase Agreement, as the case may be;

(D) on the dates set forth in any amendment or amendments to the Loan Agreement executed in connection with the issuance of Additional Bonds, the amount(s) set forth therein to be paid by the Borrower in respect of the principal of such Additional Bonds (whether at maturity or under any mandatory sinking fund or other similar redemption requirements of any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds);

(E) on the Business Day prior to any date on which the Bonds are to be redeemed pursuant to the mandatory redemption provisions of the Indenture (other than mandatory sinking fund redemption pursuant to the Indenture), an amount equal to the principal of, and premium, if any, and interest on, the Bonds to be redeemed (taking into account amounts then on deposit in the Bond Fund to be used for the payment of such Bonds to be redeemed); and

(F) on the Business Day prior to any date on which any Additional Bonds are to be redeemed pursuant to any mandatory redemption provisions of any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds (other than mandatory sinking fund or other similar redemption pursuant to such supplemental indenture or indentures), an amount equal to the principal of, and premium, if any, and interest on, such Additional Bonds to be redeemed (taking into account amounts then on deposit in the Bond Fund to be used for the payment of such Additional Bonds to be redeemed).

(ii) Each payment of Basic Loan Payments under clause (i)(A) and (B) above will in all events be sufficient, after giving credit for funds held in the Bond Fund (including amounts held in the Capitalized Interest Account) and the Revenue Fund available for such purpose, to pay the total amount of interest payable on the Bonds on the immediately succeeding Interest Payment Date and each payment of Basic Loan Payments under clause (i)(C), (D) (E) and (F) above will in all events be sufficient, after giving credit for funds held in the Bond Fund available for such purpose, to pay the total amount of principal payable in respect of the Bonds on the immediately succeeding May 15. Any Basic Loan Payments will be reduced or need not be made to the extent that there are moneys on deposit in the Bond Fund in excess of scheduled payments of Basic Loan Payments plus the amount required for the payment of Bonds theretofore matured or called for redemption, the amount required for the payment of interest for which checks or drafts have been mailed by the Trustee, and past due interest in all cases where Bonds have not been presented for payment. Further, if the lien of the Indenture has been released pursuant to the Indenture, the Borrower will not be obligated to make any further payments of Basic Loan Payments under the provisions of this section.

There will also be a credit against remaining Basic Loan Payments for Bonds purchased, redeemed, or canceled, as provided in the Indenture or in any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds as provided therein.

(b) *Additional Loan Payments*: (i) The Borrower will pay:

(A) To the Trustee until the principal of, premium, if any, and interest on the Bonds will have been fully paid (1) for deposit into the Repair and Replacement Fund, the amount set forth in the Indenture, (2) for deposit into any debt service fund or funds created under the Indenture or any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds any amount required to be on deposit therein pursuant to the Indenture or supplemental indenture, (3) promptly upon request, an amount equal to the annual fee of the Trustee for the Ordinary Services of the Trustee rendered and the Ordinary Expenses of the Trustee incurred under the Indenture, as and when the same become will due, (4) promptly upon request, the reasonable fees and charges of the Trustee, as bond registrar and paying agent, and of any other paying agents on the Bonds for acting as paying agents as provided in the Indenture, as and when the same will become due, (5) promptly upon request, the reasonable fees and charges of the Trustee for the Extraordinary Services of the Trustee rendered by it and Extraordinary Expenses of the Trustee incurred by it under the Indenture, as and when the same will become due; provided, that the Borrower may, without creating a default under the Loan Agreement, contest in good faith the reasonableness of any such Extraordinary Services of the Trustee and Extraordinary Expenses of the Trustee and the reasonableness of any such fees, charges, or expenses;

(B) To the Issuer, all payments set forth in the "Additional Payments" section below; and

(C) To the Independent Engineer and Insurance Consultant any fees and expenses owed.

(ii) Such Additional Loan Payments will be billed to the Borrower by the Issuer or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by such party for one or more of the above items. Amounts so billed will be paid by the Borrower within 30 days after receipt of the bill by the Borrower.

(iii) In the event the Borrower will fail to make any of the payments required in this section, the item or installment so in default will continue as an obligation of the Borrower until the amount in default will have been fully paid and will bear interest at the highest rate of interest on the Bonds.

(iv) All amounts deposited in the Funds and Accounts created in the Indenture and available to be used to pay the amounts, fees, charges, and expenses described in item (i) of this subsection (b) in accordance with the terms of the Indenture will be credited against the Borrower's obligation to make Additional Loan Payments to the extent such amounts are so used.

(c) *Liquidity Account Loan Payments*: In accordance with the Financing Trust Agreement, the Loan Agreement is stated to be a Loan Agreement under the Financing Trust Agreement. As and to the extent required by the Financing Trust Agreement, the UCI Bonds Pooling Subaccount within the Liquidity Account will be funded in an amount equal to the required amount under the Financing Trust Agreement, and will be available in accordance with, and to the extent permitted by, the terms and conditions of the Financing Trust Agreement, for the purpose of paying principal of, premium, if any, and interest on the Bonds as the same will become due in the event there will be insufficient funds for said purpose in the Bond Fund and the other Funds described in paragraph (f) under the caption "The Indenture – Bond Fund" above, unless provision for their payment in full will have been duly made. In the event any funds from the UCI Bonds Pooling Subaccount will be withdrawn that reduces the amount on deposit in such subaccount to less than its required amount under the Financing Trust Agreement, the Borrower will, beginning on the 20th day of the month following notice from the Master Trustee of such withdrawal, and on the 20th day of each month thereafter, in addition to any other Loan Payments that may be due, make 12 consecutive monthly payments as Liquidity Account Loan Payments to the Master Trustee for deposit into the UCI Bonds Pooling Subaccount, each equal to the lesser of (i) 1/12th of the amount of such withdrawal or (ii) the excess of the amount required to be satisfy the Liquidity Account Requirement in accordance with the Financing Trust Agreement over the amount on deposit in the UCI Bonds Pooling Subaccount.

In the event there is a diminution in Value of the amounts held in the UCI Bonds Pooling Subaccount, as of May 15 of each year or if any net losses result from the investment of amounts held therein that reduces the amount on deposit therein to less than the required amount under the Financing Trust Agreement as of such date, the Borrower will, beginning on the 20th day of the month following notice from the Master Trustee of such diminution in Value or losses, and on the 20th day of each month thereafter, in addition to any other Loan Payments that may be due, make four (4) consecutive monthly payments as Liquidity Account Loan Payments to the Trustee for deposit into the UCI Bonds Pooling Subaccount, each equal to the lesser of (i) (1/4th) of the amount of such diminution in Value or loss or (ii) the excess of the amount required to be so deposited in accordance with the Financing Trust Agreement over the amount on deposit in the UCI Bonds Pooling Subaccount.

(d) *Additional Payments*. Pursuant to the "Additional Loan Payments" section above, Borrower will pay; (i) to the Issuer, an amount sufficient to reimburse the Issuer for all expenses reasonably incurred by the Issuer under the Loan Agreement in connection with the Project, including, but not limited to, the reasonable fees and expenses of counsel for the Issuer and Bond Counsel; (ii) all taxes and assessments of any type or character charged to the Authority or to the Trustee affecting the amount available to the Authority or the Trustee from payments to be received under the Loan Agreement; (iii) the reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Authority or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under the Loan Agreement, the Leasehold Deed of Trust or the Indenture; and (iv) the annual fee of the Authority and the reasonable fees and expenses of the Authority in connection with the Loan Agreement, the Leasehold Deed of Trust, the Bonds or the Indenture, including, without limitation, any and all reasonable expenses incurred in connection with the authorization, issuance, sale and delivery of any such Bonds or in connection with any litigation which may at any time be instituted involving the Loan Agreement, the Leasehold Deed of Trust, the Bonds or the Indenture or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the Borrower, its properties, assets or operations or otherwise in connection with the administration of the Loan Agreement or the Leasehold Deed of Trust.

Such Additional Payments will be billed to the Borrower by the Authority or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by the Authority or the Trustee for one or more of the above items. After such a demand, amounts so billed will be paid by the Borrower within 30 days after receipt of the bill by the Borrower.

**Maintenance and Modification of Project by the Borrower**

The Borrower agrees that during the Agreement Term it will at its own expense (i) keep the Project in as reasonably safe condition as its operations will permit, (ii) keep the Building and all other improvements forming a part of the Project in good repair and in good operating condition, subject to normal wear and tear, making from time to time, subject to the Loan Agreement, all necessary and proper repairs thereto and renewals and replacements thereof, including external and structural repairs, renewals, and replacements, and (iii) use the Equipment in the regular course of its business only, within the normal capacity of the Equipment, without abuse, and in a manner contemplated by the manufacturer thereof, and cause the Equipment to be maintained in accordance with the manufacturer's then currently published standard maintenance contract and recommendations. The Borrower may, also at the expense of the Project, from time to time make any Additions or Alterations to the Project it may deem desirable for its business purposes that do not, in the opinion of a Consulting Architect filed with the Trustee, adversely affect the operation or value of the Project, provided, that the opinion of a Consulting Architect will only be required in the case of material Additions or Alterations, as defined in the Indenture. Additions or Alterations to the Project so made by the Borrower will be on the Premises, will become a part of the Project, and will become subject to the lien and security interest of the Leasehold Deed of Trust.

**Insurance Required**

In addition to the insurance otherwise required by the Loan Agreement, throughout the Agreement Term, the Borrower will keep the Project or cause the same to be kept continuously insured against such risks as are customarily insured against with respect to facilities of like size and type, as recommended by an Insurance Consultant, and approved by the Ground Lessor and its consultant.

**Destruction and Damage**

In the event that the Project is destroyed or damaged (in whole or in part) by fire or other casualty, the Borrower will, unless the Bonds will be paid in full from the Net Proceeds of insurance resulting from such destruction or damage, be obligated to continue to make the Loan Payments and will not be entitled to any postponement, abatement, or diminution thereof.

If such Net Proceeds of insurance will be less than $1,000,000, all such insurance proceeds will be paid to the Borrower and the Borrower will, to the extent of such proceeds, repair, replace, rebuild, restore, and/or re-equip the Project promptly to substantially the same condition thereof as existed prior to the event causing such destruction or damage with such changes, alterations, and modifications (including the substitution and addition of other property) as may be desired by the Borrower and as will not impair the value or the character of the Project. In the event the Net Proceeds will not be sufficient to pay in full the costs of any such repair, replacement, rebuilding, restoration and reequipping, the Borrower will, to the extent of proceeds received from the Repair and Replacement Fund and the Project Gross Revenues, if any, complete said work.

**Condemnation**

(a) In the event that title to or the temporary use of the Project or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, the Borrower will, unless the Bonds will be paid in full from the award made in such eminent domain proceedings, be obligated to continue to make the Loan Payments and will not be entitled any postponement, abatement, or diminution thereof.

(b) Except for Net Proceeds received by the Borrower in connection with investments of Net Proceeds under the Loan Agreement, the Issuer, the Borrower, and the Trustee will cause the Net Proceeds received by them or any of them from any award made in such eminent domain proceedings to be paid to the Trustee and deposited and held in the Condemnation Fund to be applied, as fully as practicable, in one or more of the following ways as will be directed in writing by the Borrower within 60 days from the date of such deposit: (i) subject to the requirements of the Loan Agreement, such Net Proceeds may be applied to the restoration of the Project; or (ii) subject to the requirements of the Loan Agreement, such Net Proceeds may be applied to the acquisition of other suitable land and the acquisition, by construction or otherwise, to the extent permitted by applicable law, of improvements consisting of a building or buildings, facilities, furnishings, machinery, equipment, or other properties suitable for the Borrower's operations at the Project as conducted prior to such taking (which improvements will be deemed a part of the Project and available for use and occupancy by the Borrower without the payment of any Loan Payments other than as provided in the Loan Agreement to the same extent as if such improvements were specifically described in the Loan Agreement and will be acquired by the Borrower subject to no liens, security interests, or encumbrances prior to or on a parity with the lien and security interest of the Leasehold Deed of Trust, other than Permitted Encumbrances); or (iii) such Net Proceeds may be transferred to the Redemption Fund to be applied to the redemption of Bonds; or (iv) such Net Proceeds may be applied in some combination permitted by the foregoing clauses (i), (ii), and (iii) of this subsection (b).

(c) All Net Proceeds deposited into the Redemption Fund pursuant to this section as a result of the condemnation of a portion of the Project will be applied to the redemption of all or a portion of the Bonds issued to finance the acquisition of such portion of the Project or, if such Bonds are no longer Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture.

**Borrower to Maintain Status; Conditions Under Which Exceptions Permitted**

(a) The Borrower (i) will not, except as described in this section, consolidate with or merge into another entity or permit another entity to consolidate with or merge into it, (ii) will not dissolve or otherwise dispose of all or substantially all of its assets, (iii) will cause the Foundation to file all required reports and documents with the IRS so as to maintain its status as an organization described in §501(c)(3) of the Code, (iv) will not operate the Project in any manner and will not cause the Foundation to engage in any activities or take any action that might reasonably be expected to result in the Foundation's ceasing to be a "501(c)(3) organization," within the meaning of §145 of the Code, and (v) will promptly notify the Trustee and the Issuer of any loss of the Foundation's status as a "501(c)(3) organization" or of any investigation, proceeding, or ruling that might result in such loss of status. The Borrower will preserve and keep in full force and effect all licenses and permits necessary to the proper conduct of its business.

(b) The Borrower covenants that it will not, and it will not permit, any of its revenues, income, or profits, whether realized or unrealized, to be distributed to any of its directors, or inure to the benefit of any private Person, other than for the lawful corporate purposes of the Borrower; provided, however, that the Borrower may pay to any Person the value of any service or product performed for, or supplied to, the Borrower by such Person. The Borrower will take such actions as are necessary or appropriate and within its control to take to comply with the provisions of the Code and the regulations promulgated thereunder in order to preserve the exclusion of the interest paid on the Bonds from the gross income of the Owners thereof for federal income tax purposes and will not act or fail to act in any other manner that would adversely affect such exclusion. In connection with the foregoing, the Borrower acknowledges and agrees to comply with the provisions of the Tax Certificate.

(c) The Borrower may, without violating the covenant described in this section, consolidate, merge, sell, or otherwise transfer to another Person all or substantially all of its assets as an entirety (and may thereafter dissolve), provided (i) such consolidation, merger, sale, or other transfer does not otherwise cause an Event of Default, (ii) the surviving, resulting, or transferee Person (A) will be authorized to do business in the State, (B) will be a domestic corporation, partnership, or other entity, or if a natural person, is a resident of the United States of America, (C) will have the power to assume and will assume in writing all of the obligations of the Borrower under the Bond Documents and will deliver to the Trustee any security agreement necessary to ensure that after such consolidation, merger, sale, or other transfer, the Trustee will have a security interest in all assets that constitute, or would have constituted, the Project and Project Gross Revenues prior to such consolidation, merger, sale, or transfer, together with an opinion of counsel that all action has been taken to perfect such security interest to the extent perfection can be made by the filing of financing statements, (D) will obtain all licenses and permits required by law to operate the Project, (E) will deliver to the Trustee a title insurance policy insuring that the surviving, resulting, or transferee Person has a valid leasehold interest in the Premises and insuring the Leasehold Deed of Trust as a first lien subject only to the Permitted Encumbrances, (F) will deliver to the Trustee an opinion of Independent Counsel to the effect that the Loan Agreement, as assumed by the surviving, resulting or transferee Person, is valid and enforceable obligations of such Person, subject only to exceptions related to bankruptcy and other customary exceptions, (G) will deliver to the Trustee an opinion of Bond Counsel to the effect that such consolidation, merger, sale, or transfer will not cause the interest on Outstanding Tax-Exempt Bonds to be included in gross income for federal income tax purposes, (H) will have a fund balance or net worth, as the case may be, as reflected in the *pro forma* financial statements required to be furnished pursuant to this section, not less than the fund balance or net worth, as the case may be, of the Borrower, as reflected in the most recent audited balance sheet of the Borrower furnished to the Trustee pursuant to the Loan Agreement, and (I) will have a Fixed Charges Coverage Ratio not less than that of the Borrower for the two (2) consecutive years prior to such consolidation, merger, sale, or transfer, as determined from the surviving, resultant, or transferee Person's financial statements on a *pro forma* basis that gives effect to such consolidation, merger, sale, or transfer, which *pro forma* basis financial statements will be accompanied by an Audit Report and will be accompanied by a certificate of the Accountant reporting on such historical *pro forma* basis financial statements stating the Fixed Charges Coverage Ratio for the periods reported on. Nothing in the Loan Agreement will preclude the Borrower from partially transferring assets, other than the Project, for the benefit or use of The Regents or its components provided such transfer does not directly and immediately cause an Event of Default or jeopardize the tax-exempt status of any Tax-Exempt Bonds.

(d) The Borrower may also, without violating any covenants contained in the Loan Agreement, sell, or otherwise transfer the Project to another Person that is controlled solely by the Borrower and that, prior to such sale or transfer, has no assets or liabilities, upon completion or satisfaction of the conditions set forth in items (i) and (ii)(A) through (G) of subsection (c) above, and upon such completion or satisfaction will be released from all liabilities and obligations under the Loan Agreement and the other Bond Documents.

**Rate Covenant**

(a) The Borrower covenants and agrees to operate the Project as a revenue producing student housing facility on a non-discriminatory basis, and to the extent permitted by law and by the Ground Lease, to charge such fees and rates for its facilities and services and to exercise such skill and diligence as will provide Revenue Available for Fixed Charges, together with other available funds, sufficient to pay promptly all expenses of operation, maintenance, and repair of the Project, to provide all payments required to be made by the Borrower under the Loan Agreement and the Fixed Charges Coverage Ratio of at least 1.20:1.0.

(b) Such rates, fees, and charges in each Fiscal Year beginning with the first full Fiscal Year after the Series 2026 Completion Date, will be sufficient to produce a Fixed Charges Coverage Ratio of at least 1.20:1.0. In the event that, based upon the financial statements of the Borrower required by the Loan Agreement, for any Fiscal Year such Fixed Charges Coverage Ratio was not maintained at a level of at least 1.15:1.0 (which, for purposes of this sentence, will be calculated without including any amount on deposit in the Coverage Reserve Fund), such failure to maintain such Fixed Charges Coverage Ratio will not constitute an Event of Default so long as the Borrower will (i) promptly (and in no event later than 30 days after such determination) employ a Financial Consultant to submit (not later than 30 days after commencing such employment) a report of such firm containing recommendations as to changes in the operating policies of the Borrower designed to maintain such Fixed Charges Coverage Ratio; and (ii) promptly follow such recommendations to the extent permitted by law and by the Ground Lease. Notwithstanding the retention of a Financial Consultant, an Event of Default will occur under the Loan Agreement, if the Fixed Charges Coverage Ratio is less than 1.0:1.0 as of the end of any Fiscal Year.

(c) The Borrower will, from time to time as often as necessary and to the extent permitted by law and by the Ground Lease, revise the rates, fees, and charges aforesaid in such manner as may be necessary or proper so that the Revenue Available for Fixed Charges will be sufficient to meet the requirements of the Loan Agreement, and further, that it will, in order to comply with the provisions of the Loan Agreement, take all action within its power to obtain approvals of any regulatory or supervisory authority to implement any rates, fees, and charges required by the Loan Agreement.

**Annual Budget**

At least 30 days prior to the first day of each Fiscal year ending June 30, the Borrower will prepare or cause the Manager to prepare in accordance with the Ground Lease, the Annual Budget for the immediately succeeding Fiscal Year which will include the monthly budgeted Expenses of the Project for such Fiscal Year. If the Manager will fail to prepare and/or the Borrower will fail to approve the Annual Budget for any Fiscal Year, the Annual Budget for the immediately preceding Fiscal Year will continue in effect until the Annual Budget will be prepared for the remainder of the applicable Fiscal Year. To the extent that the Borrower will deem it necessary at any time during any Fiscal Year, the Borrower will submit or cause the Manager to submit a revised Annual Budget, as approved by the Borrower to the Trustee and the Underwriter declaring that the revisions are necessary to operate or maintain the Project and setting forth the reasons therefor which revised Annual Budget will, for all purposes of the Loan Agreement, be deemed the Annual Budget for the remainder of the applicable Fiscal Year. Promptly following preparation by the Borrower, a copy of each Annual Budget or revised Annual Budget will be furnished to the Trustee and the Underwriter. Upon the occurrence and continuation of an Event of Default, all Annual Budgets and modifications thereto will be approved by the Trustee in its reasonable discretion.

**Operation of Project and Safety Code**

The Borrower will operate the Project as a student housing facility or cause the same to be operated as a student housing facility and will continue to maintain the Project in compliance with all applicable life and safety codes and all applicable building and zoning, health, environmental, and safety ordinances and laws and all other applicable laws, rules, and regulations of the United States of America, the State, and any political subdivision or agency thereof having jurisdiction over the Project. The Borrower will at all times comply with the terms and conditions of the Ground Lease.

**Covenant Regarding Manager**

The Borrower agrees that if the initial Manager will cease to serve as Manager, the Borrower 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 will have for the past 5 years managed, at least 5,000 beds of student housing facilities. The Borrower agrees that the Manager may be replaced upon the prior written approval of the Ground Lessor if (i) the Fixed Charges Coverage Ratio is not at least 1.20:1.0 for two consecutive Fiscal Years as shown in the financial statements provided in the Loan Agreement, (ii) the Average Annual Occupancy Percentage for the Project falls below 80% for two consecutive Fiscal Years, or (iii) the Borrower has the right to terminate the Manager for cause under the Management Agreement. Prior to entering into a contract with any successor Manager, the Borrower will first deliver to the Trustee an opinion of Bond Counsel to the effect that the terms of the proposed Management Agreement will not cause the interest on Outstanding Tax-Exempt Bonds to be included in gross income for federal income tax purposes.

**Assignment and Subleasing**

The Borrower may enter into subleases with residents of the Project without complying with the provisions described in this section other than subparagraph (vii). The rights and obligations of the Borrower under the Loan Agreement may be assigned and delegated, and the Project may be subleased, as a whole or in part, by the Borrower without the necessity of obtaining the consent of either the Issuer or the Trustee, subject, however, to each of the following conditions:

(i) No assignment (other than pursuant to the provisions described under the subheading "Borrower to Maintain Status") or sublease will relieve the Borrower from primary liability for any of its obligations under the Loan Agreement, and in the event of any such assignment or sublease, the Borrower will continue to remain primarily liable for payment of the Loan Payments and for the payment, performance, and observance of the other obligations and agreements on its part provided in the Loan Agreement to be performed and observed by it.

(ii) The assignee will assume in writing the obligations of the Borrower under the Loan Agreement to the extent of the interest assigned.

(iii) The Borrower will furnish or cause to be furnished to the Issuer and the Trustee assurances reasonably satisfactory to the Issuer and the Trustee that the Project will continue to be operated as a "housing facility," within the meaning of the Act.

(iv) No assignment or sublease with any Person will be entered into by the Borrower without the Borrower's first furnishing to the Trustee an opinion of Bond Counsel or a ruling from the IRS to the effect that such assignment or sublease will not cause the interest on Outstanding Tax-Exempt Bonds to be included in gross income for federal income tax purposes.

(v) No such assignment or sublease will give rise to a novation.

(vi) The Borrower will, within 30 days after the execution thereof, furnish or cause to be furnished to the Issuer and the Trustee a true and complete copy of each such assignment or sublease, as the case may be. The Issuer and the Trustee will have the right, at any time and from time to time, to notify any assignee or sublessee of the rights of the Issuer and the Trustee, as provided by this paragraph. From time to time, upon the request of the Issuer or the Trustee, the Borrower will specifically assign and grant a security interest to the Issuer, as additional security for the Loan Payments, in writing and in the form approved by the Issuer, the Trustee, and the Borrower all the right, title, and interest of the Borrower in and to any and all subleases hereafter on or affecting the Premises or the Project, together with all security therefor and all moneys payable thereunder, subject to the conditional right of the Borrower to collect the rentals under any such subleases, and the Issuer will in turn specifically assign and grant a security interest in its right, title, and interest in the foregoing to the Trustee pursuant to a supplemental indenture, as security for the Bonds. The Borrower and the Issuer will also execute and deliver to the Trustee any notification, financing statement, or other document reasonably required by the Trustee to perfect the foregoing assignment and security interest created as to any such subleases and other properties.

(vii) All subleases will contain an attornment clause providing in effect that if at any time during the term of the sublease, the Trustee or the designee of the Trustee, or a subsequent purchaser at a foreclosure sale from the Trustee, will become the owner of the Project, such sublessee agrees, at the election and upon demand of any owner of the Project, to attorn, from time to time, to any such owner upon the terms and conditions set forth in the sublease. Such sublessee will agree, at the request of the party to whom it has attorned, to execute, acknowledge, and deliver, without charge, from time to time, instruments acknowledging such attornment. The attornment clause will provide that upon such attornment, the sublease will continue in full force and effect as, or as if it were, a direct sublease between the successor and the sublessee, except that the successor landlord will not (A) have any liability for any previous act or omission of a predecessor landlord under the sublease, (B) be bound by any previous modification of the sublease, unless such modification or prepayment will have been expressly approved in writing by the Issuer and the Trustee, or (C) have any liability for refusal or failure to perform or complete landlord's work or otherwise prepare the demised premises for occupancy in accordance with the provisions of the sublease.

**Events of Default Defined**

The following will be "Events of Default" under the Loan Agreement, and the terms "Event of Default" or "Default" will mean, whenever they are used in the Loan Agreement, any one or more of the following events:

(a) The Borrower's failure to pay the Basic Loan Payments required to be paid under the Loan Agreement at the times specified therein.

(b) Any representation or warranty made by the Borrower in any statement or certificate furnished to the Issuer or the Trustee or the purchaser of any Bonds, in connection with the sale of any Bonds or furnished by the Borrower pursuant to the Loan Agreement, will prove inaccurate in any material respect as of the date of the issuance or making thereof and will not be corrected within 30 days after written notice specifying such inaccuracy is given to the Borrower by the Issuer, the Trustee, or such purchaser. In the case of any such inaccuracy that cannot with due diligence be corrected within such 30 day period, but can be wholly corrected within a period of time not materially detrimental to the rights of the Trustee, it will not constitute an Event of Default if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the inaccuracy is corrected in accordance with and subject to any reasonable directions or limitations of time established in writing by the Trustee.

(c) The Borrower's failure to perform or cause to be performed any other covenant, condition, or provision of the Loan Agreement, other than as referred to in (a) above or any covenant described under the subheading "Operation of the Project and Safety Code", and to correct such failure within 30 days after written notice specifying such is given to the Borrower by the Issuer or the Trustee. In the case of any such failure that cannot with due diligence be corrected within such 30 day period, it will not constitute an Event of Default if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the failure is corrected; provided that if such failure is not corrected within a 90 day period, any time period beyond 90 days must be approved in writing by the Trustee.

(d) The Borrower will (i) apply for or consent to the appointment of or the taking of possession by a receiver, custodian, trustee, or liquidator of it or of all or a substantial part of its property or of the Project, (ii) fail to promptly lift or bond (if legally permissible) any execution, garnishment, or attachment of such consequence as will impair the ability of the Borrower to carry on its operations at the Project, (iii) enter into an agreement of composition with its creditors, (iv) admit in writing its inability to pay its debts as such debts become due, (v) make a general assignment for the benefit of its creditors, (vi) commence a voluntary case under the federal bankruptcy law or any similar law in effect in a foreign jurisdiction (as now or hereafter in effect), (vii) file a petition or answer seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (viii) fail to controvert in a timely or appropriate manner or acquiesce in writing to any petition filed against it in an involuntary case under such federal bankruptcy law or any similar law in effect in a foreign jurisdiction, or (ix) take any action for the purpose of effecting any of the foregoing.

(e) A proceeding or case will be commenced, without the application of the Borrower, in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, dissolution, winding-up, or composition or adjustment of debts of the Borrower, (ii) the appointment of a trustee, receiver, custodian, liquidator, or the like of the Borrower or of all or any substantial part of the assets of it, or (iii) similar relief in respect of the Borrower under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition and adjustment of debts, and such proceeding or case will continue undismissed or an order, judgment, or decree approving or ordering any of the foregoing will be entered and will continue unvacated and unstayed and in effect for a period of 90 days, whether consecutive or not.

(f) The occurrence of an event of default, subject to any applicable notice and cure period, under any of the Bond Documents other than the Financing Trust Agreement.

(g) Except as otherwise permitted by the Loan Agreement, if for any Fiscal Year commencing with the first full Fiscal Year after the Series 2021 Completion Date, the Fixed Charges Coverage Ratio is not a least 1.2:1.0; provided that, during the Interim Period, and including the first full Fiscal Year after the Series 2026 Completion Date, the Fixed Charges Coverage Ratio will be calculated without regard to Revenue or Fixed Charges relating to the Series 2026 Project.

Notwithstanding the foregoing definitions of Events of Default and Default, if (i) the Borrower fails to perform any of its obligations under the Loan Agreement in connection with the development, construction, management, maintenance and operation of the Series 2026 Project and the Series 2026 Offsite Elements, (ii) such failure arises as a result of a default by an Architect under any Architect's Agreement (as such terms are defined in the Development Agreement), a default by the Developer under the Development Agreement and/or a default by the Manager under the Management Agreement, (iii) the Borrower determines in its good faith judgment that in order to cure such default it would be necessary to terminate one or more of such agreements and (iv) the Bond Trustee does not permit the termination of any of such agreements, then, such failure to perform by the Borrower will not be deemed to be a Default or an Event of Default under the Loan Agreement.

**Remedies on Default**

(a) Whenever any Event of Default will have happened and be subsisting the Trustee as the assignee of the Issuer, may, and at the direction of the owners of not less than 51% of the aggregate principal amount of Bonds then Outstanding, will: (i) at its option declare all unpaid installments of Basic Loan Payments and other amounts payable under the Loan Agreement for the remainder of the Agreement Term to be immediately due and payable whereupon the same will become immediately due and payable it being understood that upon a declaration by the Trustee under the Indenture, all unpaid Basic Loan Payments payable under the Loan Agreement will become immediately due and payable; provided, however, that if acceleration of the Bonds will have been rescinded and annulled pursuant to the Indenture, acceleration of the Basic Loan Payments and other amounts payable under the Loan Agreement required by this subsection (a) will similarly be rescinded and annulled and the Event of Default occasioning such acceleration will be waived, but no such waiver, rescission, and annulment will extend to or affect any subsequent default or impair or exhaust any right, power, or remedy consequent thereon; and provided, further, however, that all such unpaid installments of Basic Loan Payments and other amounts payable under the heading "Loan Payments and Other Amounts Payable" above in the summary of the Loan Agreement for the remainder of the Agreement may, upon the written direction of the owners of not less than 51% of the aggregate principal amount of Bonds then Outstanding to the Trustee, be separately and independently accelerated with or without an acceleration of the Bonds; or (ii) in the event any of the Bonds at the time will be outstanding and unpaid, have access to and inspect, examine, and make copies of the books and records and any and all accounts, similar data, and income tax and other tax returns of the Borrower; or (iii) initiate remedies under the Leasehold Deed of Trust; or (iv) from time to time take whatever action at law or in equity or under the terms of the Bond Documents may appear necessary or desirable to collect the Loan Payments and other amounts payable by the Borrower under the Loan Agreement then due and/or thereafter to become due, or to enforce performance and observance of any obligation, agreement, or covenant of the Borrower under the Loan Agreement.

(b) Amounts collected pursuant to action taken under this section will be applied in accordance with the provisions of the Indenture or, if the Bonds have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture) and the Borrower has paid all amounts due under the Loan Agreement, then any amounts remaining will be paid to the Borrower.

**General Options to Terminate Loan Agreement**

The Borrower will have, and is granted, the following options to terminate the Loan Agreement at any time prior to full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and payment in full of any other obligations due under the Bond Documents. The Borrower may terminate the Agreement Term by (a) paying to the Trustee an amount that, when added to the amount on deposit in the Bond Fund and the Redemption Fund, will be sufficient to pay, retire, and redeem all of the Outstanding Bonds in accordance with the provisions of the Indenture (including, without limiting the generality of the foregoing, principal, redemption premium, interest to maturity or earliest applicable redemption date, as the case may be, premium, if any, expenses of redemption, and Trustee's and paying agents' fees and expenses, including reasonable attorneys' fees), (b) in the case of redemption, making arrangements satisfactory to the Trustee for the giving of the required, irrevocable notice of redemption, (c) paying to the Issuer any and all sums then due to the Issuer under the Loan Agreement, and (d) otherwise complying with the provisions of the Indenture.

**Option to Prepay Loan Upon the Occurrence of Certain Extraordinary Events**

The Borrower will have, and is granted, the option to prepay the Loan in full or in part prior to the full payment of all of the Bonds (or provision for payment thereof having been made in accordance with provisions of the Indenture), upon certain events causing damage, destruction or condemnation of the Project in accordance with the Loan Agreement. The Borrower will have the option to prepay the Loan by prepaying Basic Loan Payments due under the Loan Agreement in such manner and amounts as will enable the Issuer to redeem the Bonds prior to maturity in whole or in part on any date, as provided in of the Indenture. The Basic Loan Payments payable by the Borrower in the event of its exercise of the option granted under this section will be (i), in the case of partial redemption, the amount necessary to pay principal, all interest to accrue to the redemption date and any redemption expense, and (ii) in the case of a total redemption, the amounts set forth in the article of the Indenture concerning discharge of liens and the applicable redemption premium, as provided in of the Indenture.

**Option to Prepay Loan in Connection with Optional Redemption of the Bonds**

(a) The Borrower will have the option to prepay the Loan by prepaying Basic Loan Payments due under the Loan Agreement in such manner and amounts as will enable the Issuer to redeem the Bonds prior to maturity in whole or in part on any date, as provided in the Indenture. The Basic Loan Payments payable by the Borrower in the event of its exercise of the option granted under the provisions of the Loan Agreement will be (i), in the case of partial redemption, the amount necessary to pay principal, all interest to accrue to the redemption date and any redemption expense, and (ii) in the case of a total redemption, the amounts set forth in the Indenture and the applicable redemption premium, as provided in the Indenture.

(b) To exercise such option, the Borrower will give the Issuer and the Trustee not less than 45 days prior written notice of the exercise of such option and will specify therein the date of tender of such prepayment and the amount thereof, will direct the redemption of the corresponding amount of Bonds, and will make arrangements satisfactory to the Trustee for the giving of the required notice of redemption.

**Terms Relating to The Regents**

Unless otherwise agreed to in writing by The Regents, the terms and conditions set forth below will be in effect so long as any of the Series 2026 Bonds or Series 2027 Bonds are Outstanding.

(a) *Amendments of the Loan Agreement*. Any amendments of the Loan Agreement will also require the prior written consent of The Regents.

(b) *Additional Bonds – Disclosure Document.* In connection with the issuance of Additional Bonds, the Borrower will deliver to The Regents a copy of the disclosure document, if any, circulated with respect to such Additional Bonds.

(c) *Notices to be Sent to The Regents*. The Regents will receive copies of all notices required to be delivered under the Loan Agreement. All notices required to be given to The Regents under the Loan Agreement will be in writing and will be sent to the address specified in the Loan Agreement.

(d) *Limitations on Arrangements to Tender or Purchase the Series 2026 Bonds or Series 2027 Bonds.* The Borrower will not enter into any agreement nor will it consent to or participate in any arrangement pursuant to which the Series 2026 Bonds or Series 2027 Bondsare tendered or purchased for any purpose other than the redemption and cancellation or legal defeasance of such Series 2026 Bonds or Series 2027 Bonds without the prior written consent of The Regents.

(e) *The Regents as a Third Party Beneficiary.* The Regents is a third party beneficiary under the Loan Agreement.

**Provisions Relating to the Insured Series 2026/2027 Bonds**Notwithstanding anything to the contrary contained in the Seventh Supplemental Loan Agreement (as it pertains to the Insured Series 2026 Bonds) or Eighth Supplemental Loan Agreement (as it pertains to the Insured Series 2027 Bonds), the following provisions will apply to the Insured Series 2026/2027 Bonds.

***Notice and Other Information to be given to BAM***. The Borrower will provide BAM with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement, dated as of October 1, 2026 relating to the Series 2026 Bonds, by and between the Borrower and The Bank of New York Mellon Trust Company, N.A., (ii) under its Continuing Disclosure Agreement, dated as of February 1, 2027 relating to the Series 2027 Bonds, by and between the Borrower and The Bank of New York Mellon Trust Company, N.A.; provided, however, that Borrower will be deemed to have complied with the obligation set forth in the preceding clauses so long as the notices and information required to be filed are available through the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board or another repository acceptable to BAM. A failure to provide such information, however, will not be deemed an Event of Default under the Indenture, the Loan Agreement or any related document, and the sole remedy in the event of any failure of the Borrower to comply with its obligations set forth in this paragraph will be an action to compel performance, and no Person will be entitled to recover monetary damages as a result of such failure to comply; and (iii) to the holders of the applicable series of Insured Series 2026/2027 Bonds or the Trustee under the Loan Agreement.

***Consent of BAM in Addition to Bondholder Consent***. Whenever any Insured Series 2026/2027 Bonds Security Document requires the consent of holders of the applicable series of Insured Series 2026/2027 Bonds, BAM's consent will also be required. In addition, any amendment, supplement, modification to, or waiver of, any of the Insured Series 2026/2027 Bonds Security Documents that adversely affects the rights or interests of BAM will be subject to the prior written consent of BAM.

***Insolvency***. Any reorganization or liquidation plan with respect to the Borrower must be acceptable to BAM. Each owner of the Insured Series 2026/2027 Bonds appoints BAM as its agent and attorney-in-fact with respect to the applicable series of Insured Series 2026/2027 Bonds and agrees that BAM may at any time during the continuation of any proceeding by or against the Borrower under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an ***"Insolvency Proceeding"***) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a ***"Claim"***), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the owners of the Insured Series 2026/2027 Bonds delegate and assign to BAM, to the fullest extent permitted by law, the rights of each owner of the Insured Series 2026/2027 Bonds with respect to the applicable series of Insured Series 2026/2027 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

***Control by BAM Upon Default***. Anything in the Loan Agreement to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM will be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the applicable series of Insured Series 2026/2027 Bonds or the Trustee or Paying Agent for the benefit of the holders of the applicable series of the Insured Series 2026/2027 Bonds under the Loan Agreement. No default or event of default may be waived without BAM's written consent.

***BAM as Owner***. Upon the occurrence and continuance of a default or an event of default, BAM will be deemed to be the sole owner of the Insured Series 2026/2027 Bonds for all purposes under the Loan Agreement, including, without limitations, for purposes of exercising remedies and approving amendments.

***Grace Period for Payment Defaults***. No grace period will be permitted for payment defaults on the Insured Series 2026/2027 Bonds. No grace period for a covenant default will exceed 30 days without the prior written consent of BAM.

***Special Provisions for Insurer Default***. If an Insurer Default will occur and be continuing, then, notwithstanding anything in the preceding paragraphs to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM will be treated like any other holder of the applicable series of Insured Series 2026/2027 Bonds for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM will have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) will control. For purposes of this paragraph, "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM will (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality will order the suspension of payments on the Policy or will obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

***BAM As Third Party Beneficiary***. BAM is recognized as and will be deemed to be a third party beneficiary of the Insured Series 2026/2027 Bonds Security Documents and may enforce the provisions of the Insured Series 2026/2027 Bonds Security Documents as if it were a party thereto.

***Additional Payments***. The Borrower agrees unconditionally that it will pay or reimburse BAM on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that BAM may pay or incur, including, but not limited to, fees and expenses of BAM's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Insured Series 2026/2027 Bonds Security Documents (***"Administrative Costs"***). For purposes of the foregoing, costs and expenses will include a reasonable allocation of compensation and overhead attributable to the time of employees of BAM spent in connection with the actions described in the preceding sentence. The Borrower agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to BAM until the date BAM is paid in full.

Notwithstanding anything in the Seventh Supplemental Loan Agreement (with respect to the Insured Series 2026 Bonds) or in the Eighth Supplemental Loan Agreement (with respect to the Insured Series 2027 Bonds) to the contrary, the Borrower agrees to pay to BAM (i) a sum equal to the total of all amounts paid by BAM under the Policy (***"BAM Policy Payment"***); and (ii) interest on such BAM Policy Payments from the date paid by BAM until payment thereof in full by the Borrower payable to BAM at the Late Payment Rate per annum (collectively, ***"BAM Reimbursement Amounts"***) compounded semi-annually. Notwithstanding anything to the contrary, including without limitation the post default application of revenue provisions, BAM Reimbursement Amounts will be, and the Borrower covenants and agrees that the BAM Reimbursement Amounts are, payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to the Insured Series 2026/2027 Bonds on a parity with debt service due on the applicable series of Insured Series 2026/2027 Bonds.

***Exercise of Rights by BAM***. The rights granted to BAM under the Seventh Supplemental Loan Agreement (with respect to the Series 2026 Bonds) and under the Eighth Supplemental Loan Agreement (with respect to the Series 2027 Bonds) to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Policy. Any exercise by BAM of such rights is merely an exercise of the BAM's contractual rights and will not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the applicable series of Insured Series 2026/2027 Bonds and such action does not evidence any position of BAM, affirmative or negative, as to whether the consent of the holders of the applicable series of Insured Series 2026/2027 Bonds or any other person is required in addition to the consent of BAM.

(b) BAM will be entitled to pay principal or interest on the Insured Series 2026/2027 Bonds that will become Due for Payment but will be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Policy) and any amounts due on the Insured Series 2026/2027 Bonds as a result of acceleration of the maturity thereof in accordance with the Insured Series 2026/2027 Bonds Security Documents, whether or not BAM has received a claim upon the Policy.

(c) So long as the Insured Series 2026 Bonds are outstanding or any amounts are due and payable to BAM, the Borrower will not sell, lease, transfer, encumber or otherwise dispose of the Series 2026 Project or any material portion thereof, except upon obtaining the prior written consent of BAM.

(d) If an event of default occurs under any agreement pursuant to which any Obligation of the Borrower has been incurred or issued and that permits the holder of such Obligation or trustee to accelerate the Obligation or otherwise exercise rights or remedies that are adverse to the interest of the holders of the applicable series of Insured Series 2026/2027 Bonds or BAM, as BAM may determine in its sole discretion, then an event of default will be deemed to have occurred under the Loan Agreement for which BAM or the Trustee, at the direction of BAM, will be entitled to exercise all available remedies under the Loan Agreement, at law and in equity. For purposes of the foregoing "Obligation" will mean any bonds, loans, certificates, installment or lease payments or similar obligations that are payable and/or secured on a parity or subordinate basis to the Insured Series 2026/2027 Bonds.

## THE FINANCING TRUST AGREEMENT

### Definitions Used in the Financing Trust Agreement

***"Aggregate Maximum Annual Debt Service"*** means, as of any date of calculation, the sum of each Maximum Annual Debt Service for each Series of Bonds then Outstanding.

***"Annual Debt Service"*** means, as of any date of calculation, the amount required to pay all principal of and interest on a Series of Bonds then Outstanding during a Fiscal Year. For purposes of calculating the Annual Debt Service on a Series of Bonds which bear interest at a rate which is not fixed to the maturity thereof, such Series of Bonds will be treated as if it bears interest at the most recent 25-Revenue Bond Index published by The Bond Buyer (or if such index is no longer published, a comparable index designated in an Officer's Certificate of The Regents Representative) with such adjustment as may be set forth in the Financing Trust Agreement.

***"BAM"*** means Build America Mutual Assurance Company, or any successor thereto.

***"Bonds"*** means any or all of the bonds or other type of debt instruments, as the case may be, issued by an Issuer pursuant to one or more Bond Indentures and further secured under the Financing Trust Agreement in accordance with the Financing Trust Agreement, the proceeds of which are used for a Financed Project.

***"Bond Indenture"*** means the bond indenture, trust agreement or other similar document between the related Issuer and a Bond Trustee, which pursuant to its terms is stated to be a Bond Indenture under the Financing Trust Agreement and which satisfies all of the requirements for a Bond Indenture set forth in the Financing Trust Agreement.

“***Bond Payment Date***” means May 15 and November 15 of each year, commencing on November 15, 2017 in the case of the Series 2017 Bonds, on May 15, 2022 in the case of the Series 2021 Bonds, on May 15, 2027 in the case of the Series 2026 Bonds and on May 15, 2027 in the case of the Series 2027 Bonds.

***“Bond Trustee”*** means the trustee named under the related Bond Indenture in its capacity as such trustee.

***“Borrower”*** means the borrower under any Loan Agreement relating to a Series of Bonds.

***“Borrower Representative”*** means a Series Borrower Representative specifically identified in a Supplemental Financing Trust Agreement.

***“Business Day”*** means any day other than a Saturday, a Sunday, or a day on which banks located in the city in which the Master Trustee or any Bond Trustee is located are authorized by law to close and on which the New York Stock Exchange is closed.

***“Campus”*** means a campus of the University of California.

***“Campus Aggregate Maximum Annual Debt Service”*** means, as of any date of calculation, the sum of each Maximum Annual Debt Service for each Series of Bonds then Outstanding for Financed Projects located at or serving a single Campus.

***“Collateral”*** means assets and property securing a Series of Bonds pursuant to the related Bond Indenture.

***“Debt Service Account Deficiency”*** *or* ***“Deficiency”*** means, as of the date of determination by the Bond Trustee, and with respect to any Series of Bonds, the amount, if any, by which the portion of the Annual Debt Service for such Bonds becoming due and payable on the next Bond Payment Date exceeds the amount on deposit in the Debt Service Account for such Bonds.

“***Eighth Supplemental Financing Trust Agreement***” means the Eighth Supplemental Financing Trust Agreement, dated as of October 1, 2026, by and between the UCI Bonds Borrower and the Master Trustee.

***“Financed Project”*** means a Housing Project, the costs of construction, acquisition or improvement of which have been funded from the proceeds of a Series of Bonds, and that is specifically identified in a Supplemental Financing Trust Agreement.

***“Financing Trust Agreement”*** means the Financing Trust Agreement, dated as of December 1, 2004, as supplemented by the First Supplemental Financing Trust Agreement, dated as of December 1, 2004, the Second Supplemental Financing Trust Agreement, dated as of April 1, 2006, the Third Supplemental Financing Trust Agreement, dated as of July 1, 2008, the Fourth Supplemental Financing Trust Agreement, dated as of December 1, 2011, the Fifth Supplemental Financing Trust Agreement, dated as of March 1, 2016, the Sixth Supplemental Financing Trust Agreement, dated as of August 1, 2017, the Seventh Supplemental Financing Trust Agreement, dated as of October 1, 2021, the Eighth Supplemental Financing Trust Agreement, dated as of October 1, 2026 and the Ninth Supplemental Financing Trust Agreement, dated as of February 1, 2027, each between the Master Trustee and the Borrower, as the same may be amended and/or further supplemented from time to time in accordance with the provisions of such agreement.

***“Financing Trust Estate”*** means the Financing Trust Estate described in the granting clauses of the Financing Trust Agreement.

***“Ground Rent”*** means, with respect to a Series of Bonds, the ground rent required to be paid by a Borrower under a Ground Lease, as such ground rent will be more particularly defined in the related Supplemental Financing Trust Agreement.

***“Housing Project”*** will have the meaning set forth in the first recital to the Financing Trust Agreement.

***"Insured Series 2026 Bonds"*** means the Series 2026 Bonds.

***"Insured Series 2026/2027 Bonds"*** means the Insured Series 2026 Bonds and the Insured Series 2027 Bonds.

***"Insured Series 2027 Bonds"*** means the Series 2027 Bonds.

***"Investment Grade Rating"*** means a credit rating of Baa3 or higher from Moody's Investors Service or its successors or, if such rating agency no longer maintains a rating on any of the Bonds, then a credit rating characterized as "investment grade" or equivalent from any nationally recognized rating agency.

***"Issuer"*** means a state or a political subdivision or other entity of a state which is the issuer of any Series of Bonds and is specifically identified in a Supplemental Financing Trust Agreement.

***"Issuer Representative"*** means a Series Issuer Representative specifically identified in a Supplemental Financing Trust Agreement.

***"Liquidity Account Requirement"*** means, as of any date of calculation, an amount equal to the greater of:

(a) Campus Aggregate Maximum Annual Debt Service; or

(b) Fifty percent (50%) of Aggregate Maximum Annual Debt Service.

***"Master Trustee"*** means The Bank of New York Mellon Trust Company, N.A., a national banking association, and any successor Master Trustee established in accordance with the Financing Trust Agreement.

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

*"**Ninth Supplemental Financing Trust Agreement**"* means the Ninth Supplemental Financing Trust Agreement, dated as of February 1, 2027, by and between the UCI Bonds Borrower and the Master Trustee.

***"Officer's Certificate"*** means a written certificate of the Issuer signed by an Issuer Representative, or of any Borrower signed by a Borrower Representative, or of The Regents signed by The Regents Representative, which certificate will be deemed to constitute a representation of, and will be binding upon, such Issuer or Borrower or The Regents, respectively, with respect to matters set forth therein, and which certificate in each instance, including the scope, form, substance and other aspects thereof, is acceptable to the Master Trustee.

***"Outstanding"*** when used with respect to a Series of Bonds will have the same meaning as set forth in the related Bond Indenture for the term "Outstanding."

***"Owner"*** means the registered owner of any Bond as provided in the related Bond Indenture.

***"Permitted Investments"*** means any of the following which at the time are legal investments under the laws of the State of California and the policies of The Regents as filed with the Master Trustee from time to time for moneys held under the Financing Trust Agreement and then proposed to be invested therein: (1) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America or any Federal Reserve Bank) or obligations the timely payment of the principal of and interest on which are fully guaranteed by the United States of America or tax-exempt obligations which are rated in the highest rating category of each Rating Agency; (2) obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank System, the Farm Credit System, or any other agency or instrumentality of the United States of America; (3) bonds of the State of California or of any county or city of the State of California for which each Rating Agency is maintaining a rating at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds; (4) obligations the interest on which is excluded from gross income for federal income taxation pursuant to the Code and which are rated by each Rating Agency in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds, or in the highest short term rating category of each Rating Agency; (5) receipts representing direct interests in Investment Securities described in clause (1) and (2) of this definition; (6) repurchase agreements with any financial institution which is rated by each Rating Agency in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds, or repurchase agreements fully secured by collateral security described in clauses (1) or (2) of this definition continuously having a market value at least equal to the amount so invested so long as such underlying obligations or securities are in the possession of the Master Trustee or the Securities Investors Protection Corporation; (7) interest bearing bankers acceptances and demand or time deposits (including certificates of deposit) in banks (including the Master Trustee and its affiliates), provided such deposits are either (a) secured at all times, in the manner and to the extent provided by law, by collateral security described in clauses (1) or (2) of this definition of a market value no less than the amount of moneys so invested; or (b) in banks (including the Master Trustee and its affiliates) having a combined capital and surplus of at least Fifty Million Dollars ($50,000,000) and whose rating by each Rating Agency, or the rating of its parent holding company, is at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds or (c) fully insured by the Federal Deposit Insurance Corporation; (8) commercial paper rated in the highest rating category of each Rating Agency, and issued by corporations organized and operating within the United States and having total assets in excess of Five Hundred Million Dollars ($500,000,000); (9) collateralized investment agreements or other collateralized contractual arrangements with corporations, financial institutions or national associations within the United States fully secured by collateral security described in clause (1) or (2) of this definition; or investment agreements or other contractual arrangements with corporations, financial institutions or national associations within the United States, provided that the senior long-term debt of such corporations, institutions or associations is rated in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds; and (10) any money market fund or mutual fund that is comprised of investments described in clauses (1) through (9) of this definition and which fund or investments are continuously rated by each Rating Agency in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds.

***"Proportionate Share"*** means, as of any date of calculation, that proportion that the amount on deposit in each Series Pooling Subaccount bears to the total amount on deposit in all Series Pooling Subaccounts, assuming for purposes of this calculation that all amounts that are scheduled to be paid by a Borrower into the related Series Pooling Subaccount pursuant to the related Supplemental Financing Trust Agreement, Indenture and Loan Agreement have been paid.

***"Rating Agency"*** means Moody's Investors Service or its successors or, if such rating agency no longer maintains a credit rating on any of the Bonds, then any nationally recognized rating agency that maintains a credit rating on any of the Bonds.

***"Series of Bonds"*** means one or more series of Bonds which is authorized by a Bond Indenture and secured by the Financing Trust Agreement in accordance with the Financing Trust Agreement and specifically identified in a Supplemental Financing Trust Agreement.

***"Series 2004 Ground Lease"*** means the Ground Lease Agreement, dated December 1, 2004, between The Regents, as lessor and the UCI Bond Borrower, as lessee, as amended.

***"Series 2008 Ground Lease"*** means the Ground Lease Agreement, dated as of July 1, 2008, between The Regents, as lessor, and the UCI Bonds Borrower, as lessee, as amended.

***"Series 2011 Ground Lease"*** means the Ground Lease Agreement, dated as of December 1, 2011, between The Regents, as lessor, and the UCI Bonds Borrower, as lessee, as amended.

***"Series 2017 Ground Lease"*** means the Ground Lease Agreement, dated as of August 1, 2017, between The Regents, as lessor, and the UCI Bonds Borrower, as lessee, as amended.

***"Series 2021 Completion Date"*** means the date of completion of the Series 2021 Project, as certified by the Borrower as provided in the Loan Agreement.

***"Series 2026 Equipment"*** means the equipment, machinery, furnishings, and other personal property to be acquired with the proceeds of the Series 2026 Bonds and described in Exhibit A attached to the Original UCI Loan Agreement, and all replacements, substitutions, and additions thereto.

***"Series 2021 Ground Lease"*** means the Ground Lease Agreement, dated as of the date of delivery of the Series 2021 Bonds, between The Regents, as lessor, and the UCI Bonds Borrower, as lessee.

***"Series 2026 Ground Lease"*** means the Ground Lease Agreement, dated as of the date of delivery of the Series 2026 Bonds, between The Regents, as lessor, and the UCI Bonds Borrower, as lessee.

"**Series 2026 Project**" means the to-be-constructed housing facility of approximately 1,065 beds in an approximately 308-unit student apartment complex and related facilities located at and serving the University of California, Irvine and that will be acquired, constructed, furnished, and equipped on a site located on campus at the University, consisting of the Series 2026 Building, and the Series 2026 Equipment.

***"State"*** means the State of California.

***"Supplemental Financing Trust Agreement"*** means a supplemental trust agreement, in substantially the form attached as Exhibit A to the Financing Trust Agreement, by and between the Master Trustee and a Borrower which pursuant to its terms is stated to be a Supplemental Financing Trust Agreement under the Financing Trust Agreement and satisfies all of the requirements for a Supplemental Financing Trust Agreement set forth in the Financing Trust Agreement.

***"Tax Agreement"*** means a tax agreement or certificate relating to a Series of Bonds executed and delivered by a Borrower upon the issuance of such Series of Bonds, as originally executed and delivered or it may from time to time be amended or supplemented in accordance with its terms.

***"The Regents Representative"*** means the Chairman, Treasurer, Associate Treasurer, Assistant Treasurer—External Finance, President or Senior Vice President—Administration of the University or such other person as may be designated and authorized by any of them to sign for and on behalf of The Regents.

***"UCI Bonds"*** means, collectively, as of the Series 2026 Closing Date, the Series 2017 Bonds, the Series 2021 Bonds and the Series 2026 Bonds and, as of the Series 2027 Closing Date, the Series 2021 Bonds, the Series 2026 Bonds, and the Series 2027 Bonds.

***"UCI Bonds Borrower"*** means CHF-Irvine, L.L.C., an Alabama limited liability company, or its successors and assigns in accordance with the terms of the UCI Bonds Loan Agreement.

***"UCI Bonds Ground Lease"*** means, collectively, (i) the Series 2004 Ground Lease, (ii) the Series 2008 Ground Lease, (iii) the Series 2011 Ground Lease, (iv) the Series 2017 Ground Lease, (v) the Series 2021 Ground Lease and (vi) the Series 2026 Ground Lease, in each case as originally executed and delivered and as the same may be amended and supplemented from time to time in accordance with their respective terms, and which pursuant to their terms are stated to be a Ground Lease under the Financing Trust Agreement and which satisfy all of the requirements for a Ground Lease set forth in the Financing Trust Agreement.

***"UCI Bonds Ground Rent"*** means Ground Rent required to be paid by the UCI Bonds Borrower pursuant to each UCI Bonds Ground Lease.

***"UCI Bonds Indenture"*** means the Indenture, dated as of December 1, 2004, as amended by a First Amendment to Indenture, dated as of May 1, 2005 and as supplemented by a First Supplemental Indenture, dated as of April 1, 2006, a Second Supplemental Indenture, dated as of July 1, 2008, a Third Supplemental Indenture, dated as of December 1, 2011, a Fourth Supplemental Indenture, dated as of March 1, 2016, a Fifth Supplemental Indenture, dated as of August 1, 2017, a Sixth Supplemental Indenture, dated as of October 1, 2021, a Seventh Supplemental Indenture, dated as of October 1, 2026 and an Eighth Supplemental Indenture, dated as of February 1, 2027, each by and between the UCI Bonds Issuer and the UCI Bonds Trustee, as originally executed and delivered and as it may be amended or supplemented from time to time in accordance with its terms, which pursuant to their terms are stated to be a Bond Indenture under the Financing Trust Agreement and which satisfy all of the requirements for a Bond Indenture set forth in the Financing Trust Agreement.

**"*UCI Bonds Issuer*"** means the California Statewide Communities Development Authority, which is the issuer of the Series 2004 Bonds, the Series 2006 Bonds, the Series 2008 Bonds, the Series 2011 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2021 Bonds, the Series 2026 Bonds and the Series 2027 Bonds pursuant to the UCI Bonds Indenture.

**"*UCI Bonds Liquidity Account Loan Payments*"** mean the loan payments required to be paid by the UCI Bonds Borrower pursuant to the UCI Bonds Loan Agreement.

**"*UCI Bonds Loan Agreement*"** means the Loan Agreement, dated as of December 1, 2004, as amended by a First Amendment to Loan Agreement, dated as of April 1, 2005 and as supplemented by a First Supplemental Loan Agreement, dated as of April 1, 2006, a Second Supplemental Loan Agreement, dated July 1, 2008, a Third Supplemental Loan Agreement, dated as of December 1, 2011, a Fourth Supplemental Loan Agreement, dated as of March 1, 2016, a Fifth Supplemental Loan Agreement, dated as of August 1, 2017, a Sixth Supplemental Loan Agreement, dated as of October 1, 2021, a Seventh Supplemental Loan Agreement, dated as of October 1, 2026 and an Eighth Supplemental Loan Agreement, dated as of February 1, 2027, each by and between the UCI Bonds Issuer and the UCI Bonds Borrower, as originally executed and delivered and as the same may be amended and supplemented from time to time in accordance with their terms, which pursuant to their terms are stated to be a Loan Agreement under the Financing Trust Agreement and which satisfy all of the requirements for a Loan Agreement set forth in the Financing Trust Agreement.

**"*UCI Bonds Pooling Subaccount*"** means the account previously named the "Series 2004 and Series 2006 Pooling Subaccount" created pursuant to the First Supplemental Financing Trust Agreement in accordance with the Original Financing Trust Agreement and subsequently renamed pursuant to the Second Supplemental Financing Trust Agreement, the Third Supplemental Financing Trust Agreement, the Fourth Supplemental Financing Trust Agreement, the Fifth Supplemental Financing Trust Agreement, the Sixth Supplemental Financing Trust Agreement, the Seventh Supplemental Financing Trust Agreement, the Eighth Supplemental Financing Trust Agreement and the Ninth Supplemental Financing Trust Agreement.

**"*UCI Bonds Redemption Subaccount*"** means the account previously named the "Series 2004 and Series 2006 Redemption Account" created pursuant to the Second Supplemental Financing Trust Agreement in accordance with the Original Financing Trust Agreement.

**"*UCI Bonds Trustee*"** means The Bank of New York Mellon Trust Company, N.A., as trustee under the UCI Bonds Indenture, or its successors established in accordance with the terms of the UCI Bonds Indenture.

**Conditions Precedent to Issuance of Bonds Secured under the Financing Trust Agreement**

A Series of Bonds will be secured by the Financing Trust Agreement, but only upon receipt by the Master Trustee of each of the following:

(a) An original or certified copy of the rating letter of a Rating Agency evidencing that the rating assigned to such Series of Bonds is not less than an Investment Grade Rating;

(b) An original or certified copy of a Supplemental Financing Trust Agreement for such Series of Bonds, in substantially the form attached to the Financing Trust Agreement as Exhibit A, providing that such Series of Bonds is secured by, and entitled to the benefits of, the Financing Trust Agreement and directing the Master Trustee to establish a separate Series Pooling Subaccount and Series Redemption Subaccount for such Series of Bonds and providing for the initial deposits of funds, if any, into such subaccounts;

(c) An original or certified copy of the Ground Lease relating to such Series of Bonds, which Ground Lease will provide that: (1) The Regents has approved the use of the Financing Trust Agreement to provide additional security for such Series of Bonds and has agreed to perform certain ministerial acts described in the Financing Trust Agreement; and (2) payments of Ground Rent to The Regents pursuant to such Ground Lease are expressly subordinate to (i) the full and timely payment of Annual Debt Service on all Series of Bonds as the same becomes due and payable pursuant to the related Bond Indentures; and (ii) the required use of revenues and other funds of the related Borrower to replenish the Liquidity Account and all subaccounts therein in accordance with the terms of the Financing Trust Agreement and of the related Bond Indenture and the related Loan Agreement;

(d) An original or certified copy of the Bond Indenture for such Series of Bonds, which Bond Indenture will provide that: (1) the Issuer and the Bond Trustee thereunder will comply with the terms and conditions of the Financing Trust Agreement; (2) the Issuer has pledged, assigned or granted a security interest in the Financing Trust Agreement under such Bond Indenture for the benefit of the Owners of such Series of Bonds; and (3) immediately after the deposit of all required amounts into the Debt Service Accounts under such Bond Indenture the Bond Trustee is required to make payments to the Master Trustee pursuant to the related Supplemental Financing Trust Agreement, such as payments required to initially fund the Liquidity Account to the Liquidity Account Requirement or to replenish any amount withdrawn from the Liquidity Account;

(e) An original or certified copy of the Loan Agreement for such Series of Bonds, which Loan Agreement will provide that: (1) the Borrower thereunder will comply with the terms and conditions of the Financing Trust Agreement; and (2) immediately after payment of all amounts necessary to deposit all required amounts into the Debt Service Accounts under the related Bond Indenture, the Borrower is required to make payments to the Bond Trustee for transfer to the Master Trustee pursuant to the related Supplemental Financing Trust Agreement, such as payments required to initially fund the Liquidity Account to the Liquidity Account Requirement or to replenish any amount withdrawn from the Liquidity Account; and

(f) A written certificate of the Master Trustee confirming that, as of the date of issuance of such Series of Bonds: (1) all scheduled deposits to the repair and replacement reserve funds for all Financed Projects under the Bond Indentures and the Loan Agreements for all Series of Bonds then Outstanding have been made; (2) the aggregate amount on deposit in all Series Pooling Subaccounts within the Liquidity Account, including the Series Pooling Subaccount for such Series of Bonds is not less than the Liquidity Account Requirement, assuming for purposes of this paragraph (f) that all amounts that are scheduled to be paid by a Borrower into the related Series Pooling Subaccount pursuant to the related Supplemental Financing Trust Agreement, Bond Indenture and Loan Agreement have been paid.

The Master Trustee is not required to receive duplicate originals or certified copies pursuant to this section if any of the items required by this section have been received by the Master Trustee, whether as Master Trustee or in its capacity as a Bond Trustee.

**Bonds are Limited Obligations of the Issuer and not Obligations of The Regents**

Each Series of Bonds, and the interest thereon, will be limited obligations of the Issuer secured by the Collateral pledged under the related Bond Indenture and by the Financing Trust Agreement.

**Creation and Custody of Liquidity Account and Subaccounts**

(a) So long as any of the Bonds remain Outstanding, the Master Trustee will establish, maintain and hold in trust, a separate trust account to be designated as the "UC Privatized Housing Financing Trust Liquidity Account" (the "Liquidity Account"). The Master Trustee will deposit amounts to, and transfer amounts from, the Liquidity Account and the subaccounts therein from time to time in accordance with the terms and conditions of the Financing Trust Agreement. Each such deposit and transfer by the Master Trustee will be in lawful money of the United States of America. All such moneys will be promptly deposited by the Master Trustee upon receipt thereof and will be held, disbursed, allocated and applied by the Master Trustee only as provided in the Financing Trust Agreement.

(b) For each Series of Bonds secured pursuant to the Financing Trust Agreement, the Master Trustee will establish and maintain (1) a Series Pooling Subaccount within the Liquidity Account, as provided in a

Supplemental Financing Trust Agreement for such Series of Bonds, and (2) a Series Redemption Subaccount within the Liquidity Account, as provided in a Supplemental Financing Trust Agreement for such Series of Bonds. Each such subaccount created from time to time under the Financing Trust Agreement will have such further designations as the Master Trustee deems appropriate in order to properly account for all moneys subject to the Financing Trust Agreement or as provided in an Officer's Certificate of The Regents Representative.

(c) As security for the payment of each Series of Bonds, the Borrower for such Series pledges and assigns the Liquidity Account, its related Series Pooling Subaccount and Series Redemption Subaccount and all other funds and accounts created under the Financing Trust Agreement and all amounts from time to time on deposit therein, for the benefit of all Series of Bonds, in the manner and to the extent provided in, and subject to the terms and conditions of, the Financing Trust Agreement.

(d) The pledge and assignment effected by each Borrower through the Financing Trust Agreement will be valid and binding from the date of execution and delivery of the related Supplemental Financing Trust Agreement, the moneys so pledged and assigned and received by the Master Trustee will be subject to the lien of such pledge and assignment and such lien will be a continuing, irrevocable and exclusive first lien and will be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Master Trustee irrespective of whether such parties have notice thereof.

**Deposits to Liquidity Account**

(a) On and after the date of issuance of a Series of Bonds the Master Trustee will deposit into the Liquidity Account the amounts deposited by a Borrower or the Bond Trustee with it for deposit into the Liquidity Account and the subaccounts therein, at the times and in the amounts provided for in the related Supplemental Financing Trust Agreement. At the time of issuance of the Series 2026 Bonds, the Liquidity Account Requirement will be $___________. At the time of issuance of the Series 2027 Bonds, the Liquidity Account Requirement will be $___________.

(b) The Master Trustee will also deposit into the Liquidity Account and the subaccounts therein such amounts as will be transferred from a Bond Trustee pursuant to the related Bond Indenture.

(c) All amounts deposited to such Liquidity Account, together with earnings thereon, will be applied as provided in the Financing Trust Agreement or a Supplemental Trust Agreement.

As and to the extent required by the Supplemental Financing Trust Agreements, the Borrowers will maintain funds on deposit in the Liquidity Account in an amount not less than the Liquidity Account Requirement, assuming for purposes of this paragraph that all amounts that are scheduled to be paid by a Borrower into the related Series Pooling Subaccount pursuant to the related Supplemental Financing Trust Agreement, Bond Indenture and Loan Agreement have been paid.

**Withdrawals from Liquidity Account**

(a) Upon receipt of notice from a Bond Trustee of a Debt Service Account Deficiency relating to a Series of Bonds, the Master Trustee will ascertain if the amount on deposit in the Series Pooling Subaccount for such Series of Bonds is sufficient to pay such Deficiency. If the amounts on deposit in such Series Pooling Subaccount are not less than such Deficiency, the Master Trustee will transfer the amount of such Deficiency to such Bond Trustee for deposit into such Debt Service Account. If the amounts on deposit in such Series Pooling Subaccount are less than such Deficiency, then the Master Trustee will (1) transfer all amounts on deposit in such Series Pooling Subaccount to such Bond Trustee for deposit into such Debt Service Account and (2) transfer an amount equal to the difference between such amount and the amount of the Deficiency to such Bond Trustee for deposit into such Debt Service Account by withdrawing an amount from each remaining Series Pooling Subaccount equal to the Proportionate Share of such subaccount.

(b) The Master Trustee will notify each Bond Trustee on or before the Business Day before any Bond Payment Date that (1) an amount necessary to fund a Debt Service Account Deficiency has been requested by a Bond

Trustee and whether the amount in the Series Pooling Subaccount related to such Series of Bonds is sufficient to pay the Debt Service Account Deficiency; and (2) if the Debt Service Account Deficiency cannot be entirely paid from the Series Pooling Subaccount related to such Series of Bonds, then the Master Trustee will also notify each Bond Trustee of the Proportionate Share to be withdrawn from the Series Pooling Subaccount for each Series of Outstanding Bonds. On the Business Day prior to any Bond Payment Date, the Master Trustee will transfer the Debt Service Account Deficiency to the Bond Trustee for deposit in the Debt Service Account for the related Series of Bonds in accordance with the Financing Trust Agreement.

(c) If the aggregate amounts on deposit in all of the Series Pooling Subaccounts are in excess of the Liquidity Account Requirement, then pursuant to an Officer's Certificate of The Regents Representative the Master Trustee will transfer a Proportionate Share of such excess to the respective Series Redemption Subaccount.

(d) Each Series Redemption Subaccount will be applied from time to time in accordance with the terms of its related Supplemental Financing Trust Agreement.

(e) Each Series Pooling Subaccount may be applied from time to time in accordance with the terms of its related Supplemental Financing Trust Agreement to pay capitalized interest on a Series of Bonds for a Financed Project, including interest accruing on the related Series of Bonds until a certificate of occupancy has been issued for such Financed Project or the start-up phase of such Financed Project has been concluded, in accordance with the terms of the related Bond Indenture.

(f) The amounts required to be on deposit in each Series Pooling Subaccount and each Series Redemption Subaccount may be reduced from time to time in accordance with the terms of a Supplemental Financing Trust Agreement and any amounts withdrawn from such subaccounts after such reduction will be applied in accordance with the terms of such Supplemental Financing Trust Agreement; provided that the aggregate amount on deposit in the Liquidity Account (and all of the subaccounts therein) will not be less than the Liquidity Account Requirement, assuming for purposes of this paragraph (f) that all amounts that are scheduled to be paid by a Borrower into the related Series Pooling Subaccount pursuant to the related Supplemental Financing Trust Agreement, Bond Indenture and Loan Agreement have been paid.

(g) If a Series of Bonds are no longer Outstanding, then in accordance with an Officer's Certificate of The Regents Representative, the Master Trustee will transfer all remaining amounts on deposit in the related Series Pooling Subaccount and the related Series Redemption Subaccount in accordance with such Officer's Certificate and thereafter such subaccounts will be closed; provided that after such amounts are transferred and such subaccounts are closed the aggregate amount remaining on deposit in the Liquidity Account (and all of the remaining subaccounts therein) will not be less that the Liquidity Account Requirement.

(h) If there are no longer any Bonds Outstanding and all Bond Indentures have been defeased and discharged in accordance with their respective terms, then in accordance with an Officer's Certificate of The Regents Representative, the Master Trustee will transfer all remaining amounts on deposit in the Liquidity Account and any subaccounts therein and any other funds then held by the Master Trustee under the Financing Trust Agreement in accordance with such Officer's Certificate and thereafter the Liquidity Account and all such subaccounts will be closed and the Financing Trust Agreement will be terminated.

**Investments**

Moneys held in any fund or account created under the Financing Trust Agreement will be invested in Permitted Investments pursuant to an Officer's Certificate of The Regents Representative, maturing at such times and in such amounts as in the judgment of The Regents Representative will make cash available for the purposes of such accounts as needed, subject to the restrictions, if any, set forth in the applicable Tax Agreement. If at any time The Regents Representative has not directed the Master Trustee to make any such investment, such money will be invested in the Permitted Investments described in clause (10) of the definition thereof.

Amounts on deposit in the Liquidity Account and the subaccounts therein will be valued by the Master Trustee not less than once each year. The trustee may make any or all investments permitted under this section through its own bond or investment department or that of its affiliates.

**The Master Trustee**

The Borrower appoints The Bank of New York Mellon Trust Company, N.A., as Master Trustee. The Master Trustee accepts the trusts created by the Financing Trust Agreement, and agrees to perform such trusts, but only upon and subject to the express terms and conditions described in the Financing Trust Agreement, and no implied covenants or obligations will be read into the Financing Trust Agreement against the Master Trustee. The Master Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Financing Trust Agreement.

**Intervention by Master Trustee**

In any judicial proceeding to which any Issuer, any Borrower or The Regents is a party and which in the opinion of the Master Trustee and its counsel has a substantial bearing on the interests of the Owners of the Bonds with respect to the Financing Trust Agreement, the Master Trustee may, in its discretion, intervene on behalf of the Owners of the Bonds and will do so if requested in writing by the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding, provided that the Master Trustee will first have been provided indemnity as provided in the related Bond Indenture as it may require against the costs, expenses and liabilities which it may incur in or by reason of such proceedings. The rights and obligations of the Master Trustee described in this paragraph are subject to the approval of a court of competent jurisdiction.

**Successor Master Trustee**

Any corporation into which the Master Trustee may be merged or with which it may be consolidated or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation resulting from any such merger, consolidation or transfer to which it is a party, ipso facto, will be and become successor Master Trustee under the Financing Trust Agreement and vested with all of the title to the Financing Trust Estate and all the trusts, powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties to the Financing Trust Agreement, anything in the Financing Trust Agreement to the contrary notwithstanding.

**Resignation by Master Trustee**

The Master Trustee may at any time and for any reason resign and be discharged of the trusts created by the Financing Trust Agreement by executing an instrument in writing resigning such trusts and specifying the date when such resignation will take effect, and mailing the same to The Regents, each Bond Trustee, each Borrower and each Issuer not less than 30 days before the date specified in such instrument when such resignation will take effect, provided the Master Trustee will also resign from its position as Bond Trustee for each Series of Bonds for which the Master Trustee was appointed as Bond Trustee. Subject to the Financing Trust Agreement, such resignation will take effect on the day specified in such instrument and notice, unless previously a successor Master Trustee will be appointed by The Regents, in which event such resignation will take effect immediately on the appointment of such successor Master Trustee. Upon the acceptance of the appointment of a successor Master Trustee, the resigning Master Trustee will receive fees in an amount which represents the proportionate amount of such fees, based on the period of time from the date such fees were paid to the effective date of the Master Trustee's resignation.

**Removal of Master Trustee**

The Master Trustee may be removed at any time by The Regents by an instrument in writing delivered to the Master Trustee, each Bond Trustee, each Borrower and each Issuer.

**Amendments; Supplemental Financing Trust Agreements**

The Financing Trust Agreement may be amended by a written instrument executed by the Master Trustee and any Borrower, upon the approval of The Regents, if the Master Trustee receives written confirmation from the Rating Agency that the amendment will not result in the downgrade of its credit rating on any Series of Bonds to less than an Investment Grade Rating. Notwithstanding the preceding sentence, the Financing Agreement may be supplemented by a Supplemental Financing Trust Agreement from time to time in connection with the issuance of a Series of Bonds in accordance with the Financing Trust Agreement.

**Continuing Disclosure**

There may be a Continuing Disclosure Agreement entered into by a Borrower and a Bond Trustee, as dissemination agent, with respect to a Series of Bonds to comply with the continuing disclosure requirements of Rule 15c2-12 of the Securities and Exchange Commission. The Master Trustee covenants and agrees that it will cooperate with such Borrower and such Bond Trustee to provide such information as they may reasonably request in order to meet their obligations under such Continuing Disclosure Agreement.

**Satisfaction of Conditions Precedent to Issuance of Series 2021 Bonds**

The UCI Bonds Borrower has represented, warranted and covenanted that: (1) the Master Trustee has executed and delivered its receipt confirming that it has received all of the documentation required by the Financing Trust Agreement; and (2) the Series 2004 Ground Lease, Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, the Series 2021 Ground Lease and the Series 2026 Ground Lease provide that payments of UCI Bonds Ground Rent by the UCI Bonds Borrower pursuant to the UCI Bonds Ground Lease are expressly subordinate to (i) the full and timely payment of Annual Debt Service on all Series of Bonds as the same becomes due and payable pursuant to the related Bond Indentures; and (ii) the required use of revenues and other funds of the UCI Bonds Borrower to replenish the Liquidity Account and all subaccounts therein in accordance with the terms of the Financing Trust Agreement, the UCI Bonds Indenture and the UCI Bonds Loan Agreement.

**Series 2026 Bonds and Series 2027 Bonds Constitute Bonds under the Financing Trust Agreement**

The Series 2026 Bonds and the Series 2027 Bonds each constitute a Series of Bonds within the meaning of the Financing Trust Agreement and are entitled to all of the benefits and security provided in the Financing Trust Agreement. The UCI Bonds Borrower agrees to be bound by and to perform all of the covenants, terms and conditions of a Borrower under the Financing Trust Agreement.

**UCI Bonds Borrower Bound by the Financing Trust Agreement**

The UCI Bonds Borrower agrees to all the terms and conditions of the Financing Trust Agreement, and agrees to be bound thereby.

**Creation of Subaccounts; Pledge**

In accordance with the Financing Trust Agreement, the Master Trustee will establish, maintain and hold in trust, separate trust subaccounts within the Liquidity Account, as follows: (1) the UCI Bonds Pooling Subaccount; and (2) the UCI Bonds Redemption Subaccount. Each such subaccount will have such further designations as the Master Trustee may deem appropriate in order to properly account for all moneys subject to the Financing Trust Agreement or as provided in an Officer's Certificate. The Master Trustee will deposit amounts to, and transfer amounts from, such subaccounts in accordance with the terms and conditions of the Financing Trust Agreement. All such moneys will be promptly deposited by the Master Trustee upon receipt thereof and will be held, disbursed, allocated and applied by the Master Trustee only as provided in the Financing Trust Agreement.

As security for the payment of the Bonds, the UCI Bonds Pooling Account and the UCI Bonds Redemption Subaccount and all amounts from time to time on deposit therein, and the UCI Bonds Liquidity Account Loan

Payments are pledged for the equal and pro rata benefit of all Series of Bonds, in the manner and to the extent provided in, and subject to the terms and conditions of, the Financing Trust Agreement.

**Deposits to UCI Bonds Pooling Subaccount**

(a) On the date of issuance of the Series 2026 Bonds, the UCI Bonds Trustee on behalf of the UCI Bonds Borrower will transfer to the Master Trustee from the proceeds of the Series 2026 Bonds in accordance with the UCI Bonds Indenture the sum of $_______ for deposit in the 2026 Subaccount of the UCI Bonds Pooling Subaccount, which amount, together with funds on deposit in the UCI Bonds Pooling Subaccounts, will constitute the Initial Liquidity Account Requirement for the Series 2026 Bonds.

(b) On the date of issuance of the Series 2027 Bonds, the UCI Bonds Trustee on behalf of the UCI Bonds Borrower will transfer to the Master Trustee from the proceeds of the Series 2027 Bonds in accordance with the UCI Bonds Indenture the sum of $_______ for deposit in the 2027 Subaccount of the UCI Bonds Pooling Subaccount, which amount, together with funds on deposit in the UCI Bonds Pooling Subaccounts, will constitute the Initial Liquidity Account Requirement for the Series 2027 Bonds.

(c) (i) Pursuant to the UCI Bonds Indenture and upon written direction of the UCI Bonds Borrower as required therein, on or after the Series 2026 Completion Date, the UCI Bonds Trustee on behalf of the UCI Bonds Borrower will transfer to the Master Trustee from amounts deposited to the Construction Fund (as that term is defined in the UCI Bonds Indenture) an amount as set forth in the written direction of the UCI Bonds Borrower not in excess of the lesser of: (A) an amount that will cause the amount on deposit in the UCI Bonds Pooling Subaccounts (excluding any Revenues deposited to the UCI Bonds Pooling Subaccounts after the date hereof pursuant to the Indenture and the Financing Trust Agreement) to equal the Liquidity Account Requirement, and (B) $________.

(ii) Pursuant to the UCI Bonds Indenture, on and after the Series 2026 Completion Date (as that term is defined in the UCI Bonds Indenture), the UCI Bonds Trustee on behalf of the UCI Bonds Borrower will transfer each month to the Master Trustee from amounts deposited to the Revenue Fund (as that term is defined in the UCI Bonds Indenture) an amount each month equal to one-thirty-sixth of the difference between the Maximum Annual Debt Service on the Series 2026 Bonds and the amount deposited from the Series 2026 Bonds in the 2026 Subaccount of the UCI Bonds Pooling Subaccount pursuant to subsection (a) above, until the amount on deposit in the UCI Bonds Pooling Subaccounts is equal to the Liquidity Account Requirement; provided however if upon receipt and deposit of the proceeds pursuant to subsection (b)(i) above or subsection (b)(iii) below, such deposit causes the amount on deposit in the UCI Bonds Pooling Subaccounts to exceed the Liquidity Account Requirement, the Master Trustee will, notwithstanding the provisions of the Financing Trust Agreement or subsection (e) below, transfer to the UCI Bonds Trustee for deposit to the Revenue Fund the amount in excess of the Liquidity Account Requirement from the 2026 Subaccount of the UCI Bonds Pooling Subaccount to the extent revenues are deposited pursuant to this subsection.

(iii) Pursuant to the UCI Bonds Indenture and upon written requisition of the UCI Bonds Borrower approved by The Regents and filed with the UCI Bonds Trustee as required therein, commencing twelve (12) months after the Series 2026 Completion Date, the UCI Bonds Trustee on behalf of the UCI Bonds Borrower will transfer to the Master Trustee from amounts deposited to the Surplus Fund (as that term is defined in the UCI Bonds Indenture), if any, an amount that will cause the amount on deposit in the UCI Bonds Pooling Subaccount to equal the Liquidity Account Requirement; provided however if upon receipt and deposit of the proceeds pursuant to subsection (b)(i) above, such deposit causes the amount on deposit in the UCI Bonds Pooling Subaccounts to exceed the Liquidity Account Requirement, the Master Trustee will, notwithstanding the Financing Trust Agreement or subsection (e) below, transfer to The Regents the amount in excess of the Liquidity Account Requirement from the 2026 Subaccount of the UCI Bonds Pooling Subaccount to the extent Surplus Fund amounts are deposited pursuant to this section.

(c) Subject to the section (d) below, pursuant to the UCI Bonds Indenture, the UCI Bonds Loan Agreement and the Financing Trust Agreement, the UCI Bonds Borrower will maintain funds on deposit in the UCI Bonds Pooling Subaccounts in an amount not less than the Liquidity Account Requirement, as such amount will be determined by The Regents and reported in writing to the Master Trustee on or before May 15 of each year; provided that during the period prior to the date the UCI Bonds Borrower has made all of the scheduled deposits required pursuant to section (b)(ii) above, the amount required to be on deposit in the UCI Bonds Pooling Subaccounts will be not less than the aggregate amount of the scheduled deposits then required to have been made pursuant to section (a) and section (b)(ii) above.

(d) Upon withdrawal from the UCI Bonds Pooling Subaccount due to a Debt Service Account Deficiency, UCI Bonds Liquidity Account Loan Payments will be made by the Borrower into the UCI Bonds Pooling Subaccount as required pursuant to the UCI Bonds Loan Agreement.

(e) Amounts on deposit in the UCI Bonds Pooling Subaccount in excess of the Liquidity Account Requirement will, upon the written direction of The Regents filed with the Master Trustee specifying the amounts to be transferred from each of the UCI Bonds Pooling Subaccounts, be transferred to the UCI Bonds Redemption Subaccount pursuant to the Financing Trust Agreement.

**Application of UCI Bonds Redemption Subaccount**

Moneys on deposit in the UCI Bonds Redemption Subaccount will, upon the written direction of The Regents filed with the Master Trustee, be transferred to the UCI Bonds Trustee for deposit into (i) the Bond Fund and applied to pay principal of and interest on the UCI Bonds as it becomes due and payable in accordance with the UCI Bonds Indenture or (ii) the Redemption Fund and applied to redeem or purchase the UCI Bonds in accordance with the UCI Bonds Indenture. Prior to the Series 2026 Completion Date, interest earnings allocable to proceeds of the Series 2026 Bonds on investments held in the UCI Bond Pooling Subaccount will, upon written direction of the Regents filed with the Master Trustee, be transferred to the UCI Bonds Trustee for deposit in the 2026 Account of the Construction Fund.

**Provisions Relating to the Insured Series 2026/2027 Bonds**

Notwithstanding anything to the contrary contained in the Eighth Supplemental Financing Trust Agreement (as it relates to the Insured Series 2026 Bonds) or the Ninth Supplemental Financing Trust Agreement (as it relates to the Insured Series 2027 Bonds), the following provisions will apply to the Insured Series 2026/2027 Bonds.

***Notice and Other Information to be given to BAM***. The UCI Bonds Borrower will provide BAM with all notices and other information it is obligated to provide to the holders of Insured Series 2026/2027 Bonds or the Master Trustee under the Financing Trust Agreement.

***Consent of BAM in Addition to Bondholder Consent***. Whenever the Financing Trust Agreement requires the consent of holders of the Insured Series 2026/2027 Bonds, BAM's consent will also be required. In addition, any amendment, supplement, modification to, or waiver of, any of the Financing Trust Agreement that adversely affects the rights or interests of BAM will be subject to the prior written consent of BAM.

***Control by BAM Upon Default***. Anything in the Financing Trust Agreement to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM will be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Insured Series 2026/2027 Bonds or the Master Trustee or Paying Agent for the benefit of the holders of the Insured Series 2026/2027 Bonds under the Financing Trust Agreement. No default or event of default may be waived without BAM's written consent.

***BAM as Owner***. Upon the occurrence and continuance of a default or an event of default, BAM will be deemed to be the sole owner of the Insured Series 2026/2027 Bonds for all purposes under the Financing Trust Agreement, including, without limitations, for purposes of exercising remedies and approving amendments.

***Grace Period for Payment Defaults***. No grace period will be permitted for payment defaults on the Insured Series 2026/2027 Bonds. No grace period for a covenant default will exceed 30 days without the prior written consent of BAM.

***Special Provisions for Insurer Default***. If an Insurer Default will occur and be continuing, then, notwithstanding anything in the preceding paragraphs to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM will be treated like any other holder of the Insured Series 2026/2027 Bonds for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM will have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) will control. For purposes of this paragraph, "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM will (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality will order the suspension of payments on the Policy or will obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

***BAM As Third Party Beneficiary***. BAM is recognized as and will be deemed to be a third party beneficiary of the Insured Series 2026/2027 Bonds Security Documents and may enforce the provisions of the Insured Series 2026/2027 Bonds Security Documents as if it were a party thereto.

***Exercise of Rights by BAM***. The rights granted to BAM under the Eighth Supplemental Financing Trust Agreement (pertaining to the Insured Series 2026 Bonds) and under the Ninth Supplemental Financing Trust Agreement (pertaining to the Insured Series 2027 Bonds) to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Policy. Any exercise by BAM of such rights is merely an exercise of the BAM's contractual rights and will not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the applicable series of Insured Series 2026/2027 Bonds and such action does not evidence any position of BAM, affirmative or negative, as to whether the consent of the holders of the applicable series of Insured Series 2026/2027 Bonds or any other person is required in addition to the consent of BAM.

***Liquidity Account***. The prior written consent of BAM will be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Liquidity Account, if any.

## THE PRIOR GROUND LEASES

*The following is a summary of the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease (herein collectively defined as the "Ground Leases" or the "Ground Lease"). Although they include certain terms and provisions that differ, the Ground Leases are substantially similar, and their material provisions are summarized collectively below.*

### Definitions Used in the Ground Lease

**"*Additional Rent*"** means the amounts payable to Lessor from the Surplus Fund pursuant to the Ground Lease and the Indenture, and any other amounts payable by Lessee to Lessor, other than Rent.

**"*Annual Budget*"** means the Operating Budget and a Capital Budget for each of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, and Personalty for each Lease Year developed by the Manager and approved by Lessor and Lessee in accordance with the "Budget Reporting" provision of the Ground Lease, described below.

**"*Bond Documents*"** means, collectively, the Indenture, the Loan Agreement, the Issuer Deed of Trust, the Financing Trust Agreement and all other instruments or agreements executed by the Issuer and/or Lessee in connection with the issuance and delivery of the Bonds, and with respect to the Series 2017 Bonds and the Series 2021 Bonds, the Assignment of Construction Documents (each, a "Bond Document").

**"*Bond Trustee*"** means The Bank of New York Mellon Trust Company N.A., a national banking association, as Trustee under the Indenture, and its successors and assigns in such capacity.

***"Bonds"*** means, collectively, the revenue bonds designated "California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase IV-A -- CHF--Irvine, L.L.C.) Series 2017" previously issued pursuant to the Indenture, and "California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding and Phase IV-B – CHF–Irvine, L.L.C.) Series 2021" previously issued pursuant to the Indenture.

***"Campus"*** means any real property owned by Lessor in proximity to its educational facilities in Irvine, California.

***"Capital Budget"*** means a budget for such period, of expenditures for major repairs, renovations and/or capital improvements and/or replacement of the F. F. & E. in, on or about the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, detailing the anticipated timing and estimated costs of such matters as described in the "Capital and Annual Budgets; Financial Statements" provision of the Ground Lease, described below.

***"Coverage Reserve Fund"*** means a Fund established pursuant to the Indenture established to provide debt service coverage under the terms of the Indenture.

***"Coverage Reserve Required Balance"*** means 0.05 multiplied by Maximum Annual Debt Service as that term is defined in the Indenture.

***"Current Dollars"*** means a dollar amount calculated by multiplying a dollar amount specified in the Ground Lease by a fraction, the numerator of which is the Consumer Price Index last published prior to the date upon which such amount is calculated and the denominator of which is the Consumer Price Index last published prior to the Effective Date.

***"Deed of Trust Trustee Lease"*** means a lease of the Premises entered into between a Leasehold Deed of Trust Trustee, as lessee, and Lessor, as lessor, as a result of a termination of the Ground Lease by reason of any Event of Default for the remainder of the term effective as of the date of termination of the Ground Lease, at the same Rent and upon the same terms, provisions, covenants, and agreements as contained in the Ground Lease and subject to no additional exceptions or encumbrances other than Permitted Encumbrances and to the rights, if any, of the parties then in possession (actual or constructive) of any part of the Premises.

***"Effective Date"*** means, with respect to the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease, the date of delivery of the Series 2004 Bonds, the Series 2008 Bonds, the Series 2011 Bonds, the Series 2017 Bonds and the Series 2021 Bonds, respectively.

***"Eligible Tenants"*** means Permitted Occupants, plus, to the extent Lessor has consented pursuant to the "Permitted Occupants" provision of the Ground Lease, described below, (i) other students enrolled at UCI and (ii) Lessor's UCI faculty and staff members.

***"Event of Default"*** means each of the events specified in the Ground Lease as such.

***"F.F. & E."*** means the furnishings, fixtures, and equipment used in, on, or about the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project.

***"Financial Statement"*** means a report, in form and content reasonably satisfactory to Lessor, that, in addition to any other matters which Lessor may reasonably request from time to time, (i) presents on a monthly basis no later than the 15th day succeeding the end of each month, financial statements consisting of an unaudited statement of net assets as of the end of the preceding month and a statement of revenues, expenses and changes in net assets for both the preceding month and fiscal year-to-date prepared on an accrual basis in accordance using GAAP, in addition to schedules that outline activity in capital asset accounts and debt accounts ("Monthly Financial Statements"), and (ii) compares, in the Monthly Financial Statements, actual Occupancy Receipts, Operating Expenses, and capital expenditures for such month and for the year-to-date against the corresponding line items in the Annual Budget for such periods.

***"Financing Trust Agreement"*** means the Financing Trust Agreement dated December 1, 2004 as supplemented by the First Supplemental Financing Trust Agreement between the Master Trustee and Lessee, dated as of December 1, 2004, the Second Supplemental Financing Trust Agreement, dated as of April 1, 2006, the Third Supplemental Financing Trust Agreement, dated as of July 1, 2008, the Fourth Supplemental Financing Trust Agreement, dated as of December 1, 2011, the Fifth Supplemental Financing Trust Agreement, dated as of March 1, 2016, the Sixth Supplemental Financing Trust Agreement, dated as of August 1, 2017, the Seventh Supplemental Financing Trust Agreement, dated as of October 1, 2021, and the Eighth Supplemental Financing Trust Agreement, dated as of October 1, 2026, each between the Master Trustee and Lessee as the same may be amended or further supplemented from time to time in accordance with the provisions thereof.

***"Fiscal Year"*** means the period July 1 through June 30.

***"Fixed Charges"*** means the sum of all cash outflows for the Project, for any period, as defined in the Indenture.

***"Fixed Charges Coverage Ratio"*** means, for any period, the ratio of (a) Revenue Available for Fixed Charges plus the then-current balance in the Coverage Reserve Fund to (b) Fixed Charges.

***"Force Majeure"*** means the following (or substantially similar language which varies among the Ground Leases), causes beyond the control of, and without the fault or negligence of Lessee, including, without limitation, acts of God, acts of the public enemy, acts of war or terrorism, acts of the government, fires, floods, epidemics, quarantine restrictions, strikes, civil commotion, casualties, embargoes, severe or inclement weather beyond that usually encountered in Orange County, California, shortages in labor or materials or similar cause.

***"Foundation"*** means Collegiate Housing Foundation, an Alabama not for profit corporation.

***"GAAP (or Generally Accepted Accounting Principles)"*** means those principles of accounting set forth in pronouncements of the Financial Accounting Standards Board and its predecessors or pronouncements of the American Institute of Certified Public Accountants or those principles of accounting that have other substantial authoritative support and are applicable in the circumstances as of the date of application, as such principles are from time to time supplemented and amended.

***"Hazardous Substance"*** means any material or substance (a) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control law); (b) defined as a "hazardous substance" under Section 26316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (c) defined as a "hazardous material," "hazardous substance" or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95, "Hazardous Substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (d) petroleum; (e) asbestos; (f) polychlorinated biphenyls; (g) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20; (h) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251 et seq. (33 U.S.C. § 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 6903); (i) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9602); (j) defined as a "hazardous waste" pursuant to the Resource Conservation and Recovery Act. 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6901); or (k) found to be a pollutant, contaminant, hazardous waste or hazardous substance in any reported decision of a federal or California state court, or which may give rise to liability under any federal or California common law theory based on nuisance or strict liability.

***"Indenture"*** means the Indenture dated as of December 1, 2004, as amended by the First Amendment to the Indenture, dated as of May 1, 2005, and as supplemented by the First Supplemental Indenture, dated as of April 1, 2006, the Second Supplemental Indenture, dated as of July 1, 2008, the Third Supplemental Indenture, dated as of December 1, 2011, the Fourth Supplemental Indenture, dated as of March 1, 2016, the Fifth Supplemental Indenture, dated as of August 1, 2017, the Sixth Supplemental Indenture, dated as of October 1, 2021, and the Seventh Supplemental Indenture, dated as of October 1, 2026, each between the Issuer and the Bond Trustee, as the same may be amended and/or supplemented from time to time in accordance with the provisions thereof.

**"*Issuer*"** means California Statewide Communities Development Authority and its successors and assigns.

**"*Issuer Deed of Trust*"** means the Leasehold Deed of Trust and Assignment of Rents and Leases by Lessee in favor of the Issuer, as the same may be amended and/or supplemented from time to time as permitted by the Indenture.

**"*Lease Year*"** means, with respect to the Series 2004 Ground Lease, each twelve (12) month period commencing on the first day of July of a calendar year and ending on the last day of June of the immediately succeeding calendar year; with respect to the Series 2008 Ground Lease, the period commencing on the Series 2008 Startup Date and ending June 30, 2012, and thereafter, each twelve (12) month period commencing on the first day of July of a calendar year and ending on the last day of June of the immediately succeeding calendar year; with respect to the Series 2011 Ground Lease, the period commencing on the Effective Date, and ending June 30, 2012 and, thereafter, each twelve (12) month period commencing on the first day of July of a calendar year and ending on the last day of June of the immediately succeeding calendar year; with respect to the Series 2017 Ground Lease, each twelve (12) month period commencing on the first day of a July of a calendar year and ending on the last day of June of the immediately succeeding calendar year; and with respect to the Series 2021 Ground Lease, each twelve (12) month period commencing on the first day of a July of a calendar year and ending on the last day of June of the immediately succeeding calendar year.

**"*Leased Land*"** means certain real property located in the County of Orange, State of California described in the Ground Lease.

**"*Leasehold Deed of Trust*"** means, collectively, the Issuer Deed of Trust and any other encumbrance of Lessee's interest in the Ground Lease as security for any indebtedness Lessee or Lessee's successors and assigns may incur, whether by leasehold deed of trust or deed to secure debt, mortgage, deed of trust, or other security instrument.

**"*Leasehold Deed of Trust Trustee*"** means the holder of the indebtedness secured by a Leasehold Deed of Trust (initially, the Bond Trustee) or any agent or fiduciary therefor and any designee thereof for the purpose of taking title to Lessee's interests in the Ground Lease.

**"*Lessee*"** means CHF–Irvine, L.L.C., an Alabama limited liability company.

**"*Lessee's Interest*"** means Lessee's entire interest in (i) the Leased Land, (ii) the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, (iii) the Personalty, and (iv) the Ground Lease.

**"*Lessor*"** means The Regents of the University of California and its successors and assigns.

**"*Loan Agreement*"** means the Loan Agreement dated as of December 1, 2004 and amended by a First Amendment to Loan Agreement, dated as of April 1, 2006 and as supplemented by a First Supplemental Loan Agreement, dated as of April 1, 2006, a Second Supplemental Loan Agreement, dated as of July 1, 2008, a Third Supplemental Loan Agreement, dated as of December 1, 2011, a Fourth Supplemental Loan Agreement, dated as of March 1, 2016, a Fifth Supplemental Loan Agreement, dated as of August 1, 2017, a Sixth Supplemental Loan Agreement, dated as of October 1, 2021, and a Seventh Supplemental Loan Agreement, dated as of October 1, 2026 each between the Issuer and Lessee, as the same may be amended and/or supplemented from time to time in accordance with the provisions of the Indenture.

**"*Management Agreement*"** means (i) with respect to the Series 2004 Project, the Series 2008 Project, the Series 2011 Project and the Series 2017 Project: the Management Agreement, dated as of December 1, 2004, and amended as of August 1, 2008, the Second Amended and Restated Management Agreement dated December 1, 2011, the First Amendment to Second Amended and Restated Management Agreement dated June 30, 2015, and the Third Amended and Restated Management Agreement dated as of August 1, 2017, as amended by First Amendment to the Third Amended and Restated Management Agreement dated as of October 26, 2021 and Second Amendment to Third Amended and Restated Management Agreement, dated as of September 1, 2024, between Lessee and the Manager, as the same may be amended and/or supplemented from time to time, (ii) with respect to the Series 2021 Project: the Amended and Restated Management Agreement (Series 2021 and Series 2026) dated as of October ___, 2026, between Lessee and the Manager, as the same may be amended and/or supplemented from time to time, and (iii) any management or similar agreement between Lessee and any successor Manager relating to the management of the Project, as the same may be amended and/or supplemented from time to time.

**"*Market Rates*"** means, for any date during the Term, the rental rates then charged at privately-owned apartment units in the community surrounding the Campus that are of similar age, condition, size and number of occupants as those units in the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, and the Series 2017 Project.

**"*Marketing Plan*"** means a plan for such period for the advertising and other marketing efforts of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project detailing, among other things, the timing, cost and media type to be utilized.

**"*Master Trustee*"** means The Bank of New York Mellon Trust Company, N.A., a national banking association, as Master Trustee under the Financing Trust Agreement, its successors and assigns in such capacity.

**"*Minimum Reserve Balance*"** means the minimum balance required to be maintained in the Repair and Replacement Fund as provided for in the "Capital and Annual Budgets; Financial Statements" provision of the Ground Lease, described below.

**"*Net Proceeds*"** means, when used with respect to an insurance or condemnation award, or with respect to any other recovery on a contractual claim or a claim for damage to or for taking of property, the gross proceeds from such award or recovery less the amounts paid for expenses (including attorneys' fees and any extraordinary expenses of the Bond Trustee) incurred in the collection of such gross proceeds.

**"*Occupancy Receipts*"** means all rentals and fees earned from Occupants pursuant to the payment provisions of any Resident Leases, plus all income earned by Lessee from all other sources as a result of use of the Premises, including, without limitation telecommunication income, vending machine income or commercial use of the Premises during the Term, and with respect to the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease, parking fees.

**"*Occupant Rental Rates*"** means the rental rates permitted to be charged to the Occupants pursuant to the "Occupant Rental Rates" provision of the Ground Lease, described below.

**"*Occupants*"** means Permitted Occupants, or other natural persons approved pursuant to the Ground Lease, who occupy the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project.

**"*Operating Budget*"** means the combined annual operating budget for the Project, derived from the Series 2004 Operating Budget, the Series 2008 Operating Budget, the Series 2011 Operating Budget and the Series 2017 Operating Budget.

**"*Operating Deficiency*"** means deficiencies in operating the Premises as described in the Ground Lease.

**"*Operating Expenses*"** means all expenses incurred by Lessee in connection with the management, operation, and maintenance of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, and Personalty as recognized in accordance with GAAP, including, without limitation, all expenses incurred by Lessee for inspection of the Series 2004 Project, the Series 2008 Project, the Series

2011 Project, the Series 2017 Project, and the Series 2021 Project, calculation and payment of rebates to the Internal Revenue Service, enforcement of the obligations of other parties to the Bond Documents or other documents executed in connection with the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, or the performance of any obligation of Lessee under such documents directly related to the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project.

**"*Operating Plan*"** means a plan approved by Lessor for any period during the Term for the management, maintenance, leasing and marketing of the Series 2004 Project, Series 2008 Project, the Series 2011 Project, the Series 2017 Project, or the Series 2021 Project, including a Marketing Plan and Rent Schedule for such period.

**"*Permitted Encumbrances*"** will have the meaning set forth in the Loan Agreement.

**"*Permitted Occupants*"** means students who occupy the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, as permitted under the "Permitted Occupants" provision of the Ground Lease, described below.

**"*Person*"** means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, limited liability companies, public bodies, and similar entities, whether for profit or non-profit.

**"*Personalty*"** means all machinery, equipment, fixtures, appliances, furniture, and any other personal property of any kind or description owned by Lessee and used in connection with the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project.

**"*Premises*"** means the Series 2004 Project, the Series 2008 Project, excluding therefrom the UCI Parking System Portion, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project and the Leased Land.

**"*Project*"** means collectively, the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, and any additional project acquired, constructed, furnished, and equipped with the proceeds of bonds issued under the Indenture.

**"*Redemption Account*"** means an account established pursuant to, and governed by, the Indenture for the purpose of accumulating funds with which to redeem the Bonds.

**"*Rent*"** means the annual rent payable by Lessee to Lessor in accordance with the Ground Lease.

**"*Rent Schedule*"** means a schedule of rents to be charged during such period for occupancy and/or use of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project.

**"*Repair and Replacement Fund*"** means a fund established with the Bond Trustee pursuant to the Indenture for the purpose of funding expenditures approved (i) in the Capital Budget prepared pursuant to Article 20 of the Series 2004 Ground Lease; (ii) in the Capital Budget prepared pursuant to Article 20 of the Series 2008 Ground Lease; (iii) in the Capital Budget prepared pursuant to Article 20 of the Series 2011 Ground Lease; (iv) in the Capital Budget prepared pursuant to Article 20 of the Series 2017 Ground Lease, and (v) in the Capital Budget prepared pursuant to Article 20 of the Series 2021 Ground Lease.

**"*Repair and Replacement Deposit*"** means that amount to be deposited into the Repair and Replacement Fund pursuant to the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease.

**"*Resident Leases*"** means, collectively, the rental agreements of no more than twelve (12) months in duration with Occupants of the Project in a form approved by Lessor (each, a "Resident Lease").

**"*Revenue Available for Fixed Charges*"** means the amount, defined in the Indenture, equal to the excess of Revenues over Expenses, plus amounts deducted in arriving at such excess of Revenues for (i) interest on Indebtedness other than Short-Term Indebtedness, (ii) depreciation, and (iii) amortization.

**"*Series 2004 Ground Lease*"** means a certain ground lease by and between Lessor and Lessee, dated as of December 1, 2004, a memorandum of which was recorded on December 14, 2004 as Instrument No. 20040011072349 of Official Records of Orange County, California, as amended as of April 1, 2006, as further amended as of July 1, 2008, and as further amended as of December 1, 2011, as further amended as of March 1, 2016, as further amended as of August 1, 2017, as further amended as of October 26, 2021, and as further amended as of October ___, 2026.

**"*Series 2004 Leased Land*"** means that certain real property leased to Lessee by Lessor pursuant to the Series 2004 Ground Lease.

**"*Series 2004 Operating Budget*"** means the Operating Budget as defined in the Series 2004 Ground Lease.

**"*Series 2004 Project*"** means a certain student housing facility containing approximately 1,564 beds along with associated site development and various other related amenities and improvements incidental to such facility constructed on the Series 2004 Leased Land.

**"*Series 2008 Ground Lease*"** means a certain ground lease by and between Lessor and Lessee, dated as of July 1, 2008, a memorandum of which was recorded on July 30, 2008 as Instrument No. 2008000361864 of Official Records of Orange County, California, as amended as of December 1, 2011, as further amended as of March 1, 2016, as further amended as of August 1, 2017, as further amended as of October 26, 2021, and as further amended as of October ___, 2026.

***"Series 2008 Leased Land"*** means that certain real property leased to Lessee by Lessor pursuant to the Series 2008 Ground Lease.

**"*Series 2008 Operating Budget*"** means the Operating Budget as defined in the Series 2008 Ground Lease.

**"*Series 2008 Project*"** means a certain student housing facility containing approximately 2,111 beds in 720 student apartments and related amenities and improvements, including a community center, associated roads, parking structure, support buildings and infrastructure, and the Offsite Elements which are more particularly described in Exhibit B-3 to the Series 2008 Ground Lease.

**"*Series 2011 Bonds*"** means the California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding CHF–Irvine, L.L.C.) Series 2011.

***"Series 2011 Ground Lease"*** means a certain ground lease by and between Lessor and Lessee, dated as of December 1, 2011, a memorandum of which was recorded on January 11, 2012 as Instrument No. 2012000014340 of Official Records of Orange County, California, as amended as of March 1, 2016, as further amended as of August 1, 2017, as further amended as of October 26, 2021, and as further amended as of October ___, 2026.

***"Series 2011 Leased Land"*** means that certain real property leased to Lessee by Lessor pursuant to the Series 2011 Ground Lease.

**"*Series 2011 Operating Budget*"** means an annual operating budget for the Series 2011 Project which sets forth the detail and summary of anticipated receipts and disbursements for each Lease Year and for each month within such period, and establishes allowances reflecting estimated base utility usage, to be included in Occupant Rental Rates.

**"*Series 2011 Project*"** means a certain 488 unit student housing facility containing approximately 1,488 beds on the Leased Land and related amenities and improvements, which are more particularly described in Exhibit B to the Series 2011 Ground Lease.

“***Series 2016 Bonds***” means the California Statewide Communities Development Authority Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments – CHF–Irvine, L.L.C.) Series 2016.

“***Series 2017 Bonds***” means the California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase IV-A -- CHF--Irvine, L.L.C.) Series 2017 issued pursuant to the Indenture.

“***Series 2017 Ground Lease***” means a certain ground lease by and between Lessor and Lessee, dated as of August 1, 2017, a memorandum of which was recorded on August 17, 2017 as Instrument No. 2017000348812 of Official Records of Orange County, California, as amended as of October 26, 2021, and as further amended as of October ___, 2026.

“***Series 2017 Operating Budget***” means an annual operating budget for the Series 2017 Project which sets forth the detail and summary of anticipated receipts and disbursements for each Lease Year and for each month within such period, and establishes allowances reflecting estimated base utility usage, to be included in Occupant Rental Rates.

“***Series 2017 Project***” means a certain 410 unit student housing facility containing approximately 1,441 beds on the Leased Land and related amenities and improvements, including a parking structure, which are more particularly described in Exhibit B to the Series 2017 Ground Lease.

“***Series 2021 Bonds***” means the California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding and Phase IV-B – CHF–Irvine, L.L.C.) Series 2021 issued pursuant to the Indenture.

“***Series 2021 Ground Lease***” means a certain ground lease by and between Lessor and Lessee, dated as of October 26, 2021, a memorandum of which was recorded on October 26, 2021 as Instrument No. 2021000650960 of Official Records of Orange County, California, as amended as of October ___, 2026.

“***Series 2021 Operating Budget***” means an annual operating budget for the Series 2021 Project which sets forth the detail and summary of anticipated receipts and disbursements for each Lease Year and for each month within such period, and establishes allowances reflecting estimated base utility usage, to be included in Occupant Rental Rates.

“***Series 2021 Project***” means a certain 295 unit student housing facility containing approximately 1,077 beds on the Leased Land and related amenities and improvements, including a parking structure, which are more particularly described in Exhibit B to the Series 2021 Ground Lease.

“***State***” means the State of California.

“***Supplemental Reserve Deposit***” means that amount to be deposited into the Repair and Replacement Fund as determined to be necessary to maintain the Minimum Reserve Balance pursuant to the Ground Lease.

“***Surplus Fund***” means the fund of that name created in accordance with the provisions of the Indenture.

“***Term***” means the period set forth in the “Term” provision of the Ground Lease, described below.

“***Termination Date***” means the date on which the Term of the Ground Lease ends by termination or expiration of the Ground Lease.

“***UCI***” means the University of California, Irvine.

**Lease**

In consideration of the covenants and agreements to be performed and observed by Lessee, Lessor leases to Lessee, and Lessee hires from Lessor, the Leased Land.

**Term**

Except as specifically otherwise provided therein the term of the Ground Lease ("Term") will commence on the Effective Date and terminate at the earlier of (i) 12:00 midnight of the day preceding the 40th anniversary of the Effective Date with respect to the Series 2004 Ground Lease, December 13, 2044 at 12:00 midnight with respect to the Series 2008 Ground Lease, January 11, 2053 at 12:00 midnight with respect to the Series 2011 Ground Lease, August 17, 2057 at 12:00 midnight with respect to the Series 2017 Ground Lease, and October 26, 2061 at 12:00 midnight with respect to the Series 2021 Ground Lease, or (ii) 12:00 midnight of the day preceding the first day of the month following the final redemption or defeasance of the Bonds and satisfaction of any and all amounts due under the Loan Agreement or the Indenture, unless the Ground Lease is sooner terminated pursuant to the "Events of Default and Remedies" provision of the Ground Lease, described below or the "Early Termination" provision of the Series 2017 Ground Lease. The Lease will expire without further notice at expiration of the Term, and no holding over will be permitted. Any holding over by Lessee after expiration will not constitute a renewal or extension nor will it give Lessee any rights in or to the Premises or any part thereof. If, on the date the Ground Lease would otherwise terminate under the "Term" provision of the Ground Lease, described herein, but not under the "Remedies" provision of the Ground Lease, described below, or the "Early Termination" provision of the Series 2017 Ground Lease, Rent remains due under the Ground Lease, the Lease will not then terminate, but will remain in full force and effect until the day following the date upon which Lessor will by notice to Lessee elect to terminate the Ground Lease or all such Rent owed to Lessor has been fully paid. Notwithstanding the preceding sentence, in no event will the Term extend more than fifty (50) years after the Effective Date, with respect to the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease, and more than forty-one (41) years after the Effective Date with respect to the Series 2011 Ground Lease.

**Payment of Rent and Additional Rent**

Lessee will pay Rent and Additional Rent to Lessor as set forth in the Ground Lease, including the "Distributions of Surplus Fund Balances" provision of the Ground Lease, described below, and the Indenture, including, without limitation, all payments required to be made to Lessor from the Surplus Fund.

**Permitted Occupants**

The Premises will, except as otherwise permitted in the Ground Lease, be used by Lessee only to lease apartments in the Series 2004 Project, the Series 2008 Project and the Series 2011 Project to Permitted Occupants, lease beds in the Series 2017 Project to Permitted Occupants, lease space in the Series 2021 Project to Permitted Occupants, provide parking in the Series 2008 Project and the Series 2011 Project to Permitted Occupants, and operate the common areas and facilities incidental to the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project for the use and enjoyment of the Occupants. Parking in the Series 2008 Project will be governed by the terms of a Parking Agreement substantially in the form attached to the Ground Lease, as such Agreement may from time to time be amended or supplemented by the Parties.

Except as provided below, Lessee will lease apartments in the buildings shown as an exhibit attached to the Series 2004 Ground Lease, Series 2008 Ground Lease and Series 2011 Ground Lease as the "Undergraduate Complex", to enrolled UCI undergraduate students, and will lease apartments in the buildings shown in an exhibit attached to the Series 2004 Ground Lease, Series 2008 Ground Lease and Series 2011 Ground Lease as the "Graduate Complex," only to enrolled UCI graduate students, and will lease beds in the Series 2017 Project to UCI undergraduates pursuant to the Series 2017 Ground Lease, and will lease space in the Series 2021 Project to undergraduate students (other than freshmen students) and graduate students pursuant to the Series 2021 Ground Lease (collectively, "Permitted Occupants"). Lessee may adjust the mix of students following the prior written consent of Lessor (which consent will not be unreasonably withheld). Lessee will, upon the written instruction of Lessor, adjust the mix of students.

(a) If at any time during the Term Lessee is unable to lease all of the apartments in the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project to Permitted Occupants, Lessee may seek Lessor's consent, on a case by case basis, to lease to Eligible Tenants other than Permitted Occupants. Lessor will not unreasonably withhold its consent provided, however, that it will be reasonable for Lessor to (i) require Lessee to lease apartments with respect to the Series 2004 Project, the Series 2008 Project, prior to leasing units to other persons, and (ii) withhold consent to any Resident Lease with a person other than a Permitted Occupant expiring later than the August 31st following the commencement date of such lease.

(b) Lessee may permit the use of the community center in the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project for meetings, classroom instruction, and other events, provided each such event is Campus-related and primarily for the benefit of the UCI campus community.

**Environmental Requirements**

Lessee will not use, nor permit the use of any Hazardous Substance in the acquisition, construction or renovation of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project in violation of any applicable law, regulation, code or ordinance, including, without limitation, any storage, handling, release, emission, discharge, generation, abatement, disposition or transportation of any Hazardous Substance from, on or otherwise relating to the Premises. Lessee will, at its own cost and expense, comply, and cause tenants of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, licensees and/or concessionaires to comply, with all applicable laws, rules, regulations, codes and ordinances relating to any Hazardous Substance, including, without limitation, obtaining and filing all applicable notices, permits, licenses and similar authorizations. Lessee will establish and maintain a policy to assure and monitor continued compliance by Lessee and all others occupying space in the Project with all such laws, rules, regulations, codes and ordinances. Lessee will not use or store or permit to be used or stored in the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project any Hazardous Substances other than materials or substances (including, without limitation, office and cleaning supplies) normally associated with operation of a multi-unit residential facility and in not greater than necessary quantities to allow for such use.

**Hazardous Substances**

If during the Term Lessee discovers Hazardous Substances on the Premises in violation of any applicable law, regulation, code or ordinance, it will immediately report the discovery in writing to Lessor, and the parties will meet and confer in an attempt to resolve the problem. If Hazardous Substances were present in the soil of the Leased Land as of the Effective Date, Lessor will undertake, at Lessor's expense, to remediate the presence of Hazardous Substances in compliance with Applicable Laws to the extent necessary to permit construction of the improvements and use of the Premises for the uses permitted under the Ground Lease to proceed. If Hazardous Substances are released onto the Premises in violation of any applicable law, regulation, code or ordinance during the Term as the result of Lessor's negligent or willful acts, Lessor will remediate the presence of such Hazardous Substances in accordance with the standards in the preceding sentence. If the Lessor fails to take reasonable measures to remediate such Hazardous Substances, such failure will constitute a default.

**Distributions of Surplus Fund Balance**

Subject to the Ground Lease and the Indenture, and commencing with the Lease Year commencing July 1, 2006 with respect to the Series 2004 Project, August 1, 2010 with respect to the Series 2008 Project, July 1, 2012 with respect to the Series 2011 Project, July 1, 2019 with respect to the Series 2017 Project, and July 1, 2023 with respect to the Series 2021 Project, Lessee will annually pay, or cause the Bond Trustee to pay, the amounts set forth in the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease, respectively.

**Distributions from Cash Flow in Final Lease Year**

If the Termination Date is other than the last day of a Lease Year, resulting in the final Lease Year of the Ground Lease covering less than a full twelve (12) month period, the Repair and Replacement Deposit will neither be accrued nor paid, and Rent will be pro-rated by dividing the number of days in the final Lease Year the Lease was in force by 365 and multiplying by the amount of Rent due in the last preceding full Lease Year. Distributions from the Surplus Fund will be paid in accordance with the Indenture. Lessee will pay, or cause to be paid, the amounts set forth in this paragraph within one hundred eighty (180) days following the Termination Date.

**Taxes and Assessments**

Lessor and Lessee have determined that the use of the Premises pursuant to the "Uses and Restrictions" provision of the Ground Lease, described above, is exclusively in furtherance of the educational and public purposes of Lessor and that Lessee is a tax-exempt organization; therefore, the parties intend and expect that the leasehold estate of Lessee created by the Ground Lease and the Project will be eligible for exemption, under California law, from ad valorem property taxes and assessments ("Property Taxes"). Nonetheless, neither Lessee nor Lessor makes any representation or warranty regarding Property Taxes, and Lessor will bear no responsibility for the assessment thereof.

**Maintenance of Exemption**

Lessee will diligently pursue and attempt to maintain exemption of the Premises from Property Taxes. Provided Lessor incurs no liability, cost, expense, or fees in doing so, Lessor will cooperate with Lessee in pursuing and maintaining such exemption. Nothing contained in Ground Lease is intended to change the degree to which the interest or estate of Lessee created by the Ground Lease is subject to Property Taxes; however, to the extent such Property Taxes are assessed, Lessee and Lessor will have the responsibilities and rights set forth in the balance of the "Maintenance of Exemption" provision of the Ground Lease, described therein.

**Tax Obligations**

In the absence of an applicable exemption, Lessee will pay prior to the delinquency date thereof all Property Taxes and governmental fees and charges, whether general or special, or ordinary or extraordinary (collectively, "Taxes"), which may be levied, assessed, charged or imposed, or may become a lien or charge upon the Premises or any part or parts thereof, or upon Lessee's Interest.

**Assessment Obligations**

Specifically, and without in any way limiting the generality of the foregoing, Lessee will pay, before they become delinquent, any and all special assessments or levies or charges made by any municipal or political subdivision for local improvements ("Assessments"), and as required by the act and proceedings under which any such Assessments or levies or charges are made.

**Utility Services**

Lessee will apply for, obtain and pay for, and be solely responsible for, all utilities required, used, or consumed on the Premises, including, but not limited to gas, water (including water for domestic uses and for irrigation and fire protection), telephone, electricity, cable TV, satellite digital information, sewer service, garbage collection services, or any similar service (herein sometimes collectively referred to as "Utility Services."

**Option to Purchase**

As further consideration for the Lessor's execution of the Ground Lease, Lessee grants to Lessor an exclusive option ("Option") which will be binding on successors and assigns of Lessee, to purchase Lessee's Interest on the following terms and conditions:

(a) *Exercise of Option*. During the remainder of the Term with respect to the Series 2004 Ground Lease and the Series 2008 Ground Lease, on and after the Effective Date with respect to the Series 2011 Ground Lease and continuing through the balance of the Term, and beginning one hundred twenty (120) days prior to the commencement of the tenth (10) year following the Effective Date with respect to the Series 2017 Ground Lease, and beginning one hundred twenty (120) days prior to the commencement of the tenth (10) year following the Effective Date with respect to the Series 2021 Ground Lease, Lessor may give notice to Lessee of Lessor's exercise of its option to purchase Lessee's Interest, at the price as set forth in (c), below. The closing of such purchase will be not sooner than one hundred twenty (120) nor later than one hundred eighty (180) days after the date of delivery of the notice of exercise to Lessee. Following receipt of such notice, Lessee will not be permitted to convey, lien, or otherwise encumber Lessee's Interest or any portion thereof, and will not permit the conveyance, lien or encumbrance of Lessee's Interest, until the date of closing provided in the "Exercise of Option" provision of the Ground Lease, described above. Any attempted lien, conveyance, or encumbrance of Lessee's Interest prohibited by this provision will be null and void. Lessor may exercise the option granted under this provision only if it simultaneously exercises the similar option granted pursuant to the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease.

(b) *Subsequent Notices*. Notice given at any of the times specified in Paragraph (a) above will not preclude Lessor's right to again give notice in any later period during which notice is otherwise permitted to be given under such provisions.

(c) *Purchase Price*. If the option to purchase is exercised, the combined purchase prices of Lessee's Interest under the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease will be paid and will include all amounts due under the Bond Documents including the principal balance then outstanding of all sums secured by any Leasehold Deed of Trust then in effect, plus costs of defeasance or any premium payable on such indebtedness, plus all interest accrued or to accrue on such indebtedness through the date of payment of such indebtedness. This provision for Lessor's option will not be in derogation of Lessor's power of eminent domain.

(d) *Closing*. Lessor will designate, in its notice of exercise, the date of closing for the purchase of Lessee's Interest (the "Closing"), which will occur within the period described in the "Exercise of Option" provision of the Ground Lease, described above. At Closing, upon payment of the purchase price to the Bond Trustee and the amounts payable by Lessor pursuant to the "Closing Costs" provision of the Ground Lease, title to the Project will be conveyed to Lessor by an Assignment of Lessee's Interest and a quitclaim deed with respect to the Series 2004 Project, the Series 2008 Project and Series 2011 Project, and a grant deed with respect to the Series 2017 Project and the Series 2021 Project, each in recordable form executed by Lessee, and a bill of sale as to all personal property included in Lessee's Interest. Lessee will convey its interest in the Resident Leases by an assignment of lease reasonably satisfactory to Lessor and Lessee, and its interest in all other assets associated with the Project as required by the Ground Lease.

(e) *Title*. The Project will be conveyed free and clear of all loans, and will be subject only to the Resident Leases, to Permitted Encumbrances, and to all matters occurring subsequent to the date of the Ground Lease that would be disclosed by an accurate survey and inspection of the Premises.

**Construction of Improvements**

Lessee will enter into the Development Agreement with Developer, and in accordance with Developer's obligations thereunder, Developer, on behalf of Lessee, has entered into the Construction Contract with Contractor, and the Architect's Agreements with Architects. Lessor has reviewed and approved the Development Agreement and Construction Contract, including the "guaranteed maximum price" for the construction of the Series 2021 Project and the amount of the Construction Contingency. Lessee will at all times comply with the terms of the Construction Rider attached to the Ground Lease and will communicate exclusively with the Lessor's Representative with respect to all consents sought, or reports required, under the Ground Lease (and Construction Rider).

**Management of Improvements**

Lessee will cause the preparation of a plan for the management of the Project ("Management Plan"), which Management Plan will include an on-site staffing plan appropriate to the size and nature of the Project and provide for the enforcement of the Campus Regulations. Lessee will enter into the Management Agreement in connection with the operation of the Project. Lessee will not amend the Management Agreement without the prior consent of Lessor, nor will Lessee enter into any other management agreement for the Project, without the prior consent of Lessor, and as provided in the "Expiration or Termination of Management Agreement" provision of the Ground Lease, described below.

**Standards of Operation**

Lessee will perform its obligations or cause them to be performed through the Management Agreement, in a manner which demonstrates managerial skill, knowledge, judgment, and practice which is standard for the management of comparable residential multi-lessee facilities, public or private, in the Irvine area which are maintained in first class condition. Lessor, in agreeing to the terms of the Ground Lease, is relying on the expertise, experience and reputation of Lessee and Manager to cause the Project to be operated, maintained and managed in such condition.

**Failure to Meet Standards of Operation**

If Lessor reasonably believes that the operation of the Project is materially deficient in (i) observing the Campus Regulations, (ii) meeting the standards of operation set forth in the "Standards of Operations" provision of the Ground Lease, (iii) maintaining the Premises as provided for in the "Maintenance Standards" provision of the Ground Lease, or (iv) otherwise causing an Event of Default under the Ground Lease relating to the operation of the Project (each of which will be an "Operating Deficiency"), such Operating Deficiency will be resolved by the following process:

(a) Lessor will notify Lessee in writing of the nature and specific circumstances or events causing such Operating Deficiency. Lessor and Lessee will meet and confer within five (5) business days following such notification to confirm the existence of the Operating Deficiency and to agree upon a mutually agreeable cure.

(b) If Lessee agrees that such Operating Deficiency exists, Lessee will cure, or cause to be cured, the deficiency within twenty (20) business days following such notification, or such other time period as Lessor and Lessee agree is appropriate, provided that if such Operating Deficiency cannot reasonable be cured within a twenty (20) business day period, Lessee will not be in breach of this obligation if it starts and maintains reasonable curative efforts in good faith.

(c) If Lessee does not agree that such Operating Deficiency exists, then either party may submit the dispute to arbitration as provided for in the "Arbitration" provision of the Ground Lease. If the arbitrator finds that an Operating Deficiency exists, the arbitrator will also be required to determine the period within which Lessee will be required to cure.

(d) If Lessee fails to cure, or cause to be cured, the Operating Deficiency within the period determined in paragraphs (b) or (c) above, Lessor may take any one or more of the following actions: (i) cure such Operating Deficiency under the Ground Lease, (ii) require Lessee to obtain new management of the Project, if such Operating Deficiency resulted from the fault, error or omission of Manager, or (iii) pursue the other remedies set forth in the Ground Lease.

**Expiration or Termination of Management Agreement**

Not less than 180 days prior to the expiration of the Management Agreement, and the expiration of each subsequent Management Agreement: (a) Lessee and Lessor will meet and confer to determine whether the best interests of the Project would be served by renegotiating the then existing Management Agreement (if then any), or by soliciting proposals for a new Management Agreement, and (b) if Lessor concludes that obtaining such proposals would be desirable, Lessee will solicit and use its best efforts to obtain three (3) proposals for a new Management

Agreement, from entities which Lessor and Lessee have agreed have material experience in managing university-related housing. Proposals may be submitted by the then-current Property Manager (if any), and by Lessee itself. Lessee will engage the Property Manager designated by Lessor from among those entities submitting proposals. If Lessee will terminate the Management Agreement for any reason prior to its expiration, Lessee will solicit proposals as required by clause (b), above.

**Resident Leases**

Any other provision of the Ground Lease to the contrary notwithstanding, Lessee will, without the consent or approval of Lessor, have the right, in the ordinary course of business, to enter into, modify and terminate Resident Leases in accordance with the criteria set forth in the Management Plan and Management Agreement.

**Parking**

Vehicular parking in, on and about the Series 2008 Project will be governed by the Parking Agreement attached to the Series 2008 Ground Lease.

**Lessor's Financing Trust Covenants**

Pursuant to the Financing Trust Agreement, Lessor covenants that:

(a) It has approved the use of the Financing Trust Agreement to provide additional security for the Bonds;

(b) Payments of Rent are expressly subordinate to (i) the full and timely payment of Annual Debt Service on all Series of Bonds as the same becomes due and payable pursuant to the related Indentures; and (ii) the use of revenues and other funds of the Lessee to replenish the Liquidity Account and all subaccounts therein in accordance with the terms of the Financing Trust Agreement, the Bond Indenture and the Loan Agreement; and

(c) Each of the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease is a "Ground Lease" under the Financing Trust Agreement and satisfies all of the requirements for a Ground Lease set forth in the Financing Trust Agreement and is specifically identified in the First Supplemental Financing Trust Agreement, the Third Supplemental Financing Trust Agreement, the Fourth Supplemental Financing Trust Agreement, the Fifth Supplemental Financing Trust Agreement, the Sixth Supplemental Financing Trust Agreement, and the Seventh Supplemental Financing Trust Agreement, respectively.

**Lessor's Commitment**

Lessor will:

(a) Include the Project in all information and marketing materials regarding student housing that it provides to students and prospective students to the same extent it provides such information and materials for other housing not owned by Lessor;

(b) In the Lessor's mail outs, catalogues, informational brochures, housing website and other literature, identify the Project as residential housing available to students to the same extent it identifies other housing not owned by Lessor;

(c) At no cost to the Lessor (i.e., pursuant to reimbursement by Lessee), provide to Permitted Occupants substantially similar student services and access that it provides to students in Lessor-owned Campus housing facilities, including, without limitation, functionally equivalent access to the Lessor's Campus telecommunications network and use of the Campus transportation system.

### Pledge, Assignment, and Grant of Security Interest

As security for Lessee's performance of its obligations under the Ground Lease and subject to the rights of the Issuer, the Bond Trustee (as assignee of the Issuer), or the Master Trustee, Lessee collaterally assigns and pledges to Lessor, and grants to Lessor a security interest in, all of Lessee's right, title, and interest in and to the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project, including, without limitation: (i) all rights of Lessee to receive moneys due and to become due under or pursuant to the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project; (ii) all rights of Lessee to receive proceeds of any insurance, indemnity, warranty, or guaranty with respect to the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project; (iii) claims of Lessee for damages arising out of or for breach of or default under the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project; and (iv) the right of Lessee to terminate the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project, to perform thereunder, and to compel performance and otherwise exercise all remedies thereunder. Notwithstanding the foregoing assignment, pledge and grant of security, so long as no Event of Default has occurred and is continuing, Lessee will be entitled to all of the benefit and right under the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project. Lessor acknowledges that, pursuant to the Assignment of Construction Documents with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Security Agreement with respect to the Series 2011 Project, the Financing Trust Agreement and Issuer Deed of Trust, Lessee will grant to Issuer, first priority security interests in various items of collateral including, but not limited to, the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project and certain rights and remedies with respect thereto (collectively, the "Issuer Security Interests") and that Issuer will pledge the Issuer Security Interests to the Bond Trustee. Any and all security interests granted to Lessor by Lessee pursuant to the Ground Lease (including, but not limited to, the security interest granted in the "Security Interest" provision of the Ground lease, described herein) will be subject to the provisions of the "Encumbering the Leasehold" provision of the Ground Lease, described below, and subordinate in all respects to the Issuer Security Interests (as defined herein) and the interests of the Bond Trustee, the Master Trustee and any permitted Leasehold Deed of Trust Trustee, including, without limitation, the Bond Trustee.

### Financing Statements

Lessee authorizes Lessor to file one or more financing and/or continuation statements, and amendments thereto, relating to all or any part of the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project, without the signature of Lessee where permitted by law. A photocopy or other reproduction of the Ground Lease or any financing statement covering the Assigned Agreements with respect to the Series 2004 Project, the Series 2008 Project, the Series 2017 Project, and the Series 2021 Project, and the Management Agreement with respect to the Series 2011 Project, or any part thereof will be sufficient as a financing statement where permitted by law.

### Assignment of Lease

Except as otherwise provided in the Ground Lease (including, without limitation, the "Encumbering the Leasehold" provision of the Ground Lease, described below), Lessee will not have the right to assign or transfer Lessee's Interest or any portion thereof or any right or privilege appurtenant thereto, or to sublease the Premises or any portion thereof, without the prior written consent of Lessor, which consent will not be unreasonably withheld. A sale of all or any portion of Lessee's Interest, and the transfer, assignment or hypothecation of any interest in Lessee will each be deemed an assignment within the meaning of the "Assignment of Lease" provision of the Ground lease, described herein. Any attempt to assign without Lessor's consent will be voidable by Lessor and, at Lessor's election, will constitute a default under the Lease. The consent by Lessor to any transfer, hypothecation, assignment or subleasing will not constitute a waiver of the necessity for such consent to any subsequent assignment, transfer, hypothecation or subleasing.

**Maintenance of Property**

Subject to the terms of the Parking Agreement with respect to the Series 2008 Ground Lease, Lessee will, at all times during the Term of the Ground Lease, at the cost and expense of the Project, keep and maintain the Premises and all adjoining areas out to the perimeter pavement, and appurtenances and every part thereof, and all buildings, other structures or improvements that may exist on, in, or be made a part of the Premises, in a sanitary, clean and structurally sound condition, and substantially equivalent to the condition of other privately owned student residential facilities located in the Irvine area. All normal maintenance and repair during the term of the Ground Lease will be complete when the Premises are surrendered to Lessor.

**Alterations**

Following the Substantial Completion of the Series 2021 Project, Lessee will make no material alterations or additions to the Premises with a cost in excess of the Threshold Amount except as specifically provided in the "Alterations" provision of the Ground Lease, or approved in the most recent the Series 2021 Capital Budget, or as otherwise approved by Lessor. "Threshold Amount" means the sum of One Hundred Thousand Dollars ($100,000.00), which amount shall be increased by Fifteen Thousand Dollars ($15,000.00) every five years. Lessee may make any alteration with an aggregate cost less than the Threshold Amount without Lessor's prior consent, provided that (a) no electrical distribution systems; heating, ventilating, and air-conditioning systems; plumbing and sanitation systems; or communication systems ("Essential Operating System**s**") shall be materially or adversely affected thereby, and (b) such alteration does not violate any requirements of Applicable Laws. Lessee may not make any additions without Lessor's prior consent. Before Lessee shall commence any alterations or additions requiring Lessor's approval, Lessee shall submit to Lessor the submittals as reasonably required by Lessor for the nature of the proposed Work and otherwise comply with the provision of the Ground Lease titled "General Conditions of Work.

**Capital Budget**

No later than 120 days prior to July 1, 2006 with respect to the Series 2004 Ground Lease, July 1, 2010 with respect to the Series 2008 Ground Lease, July 1, 2012 with respect to the Series 2011 Ground Lease and June 1, 2019 with respect to the Series 2017 Ground Lease, and no later than 90 days prior to the Completion Date (as defined in the Series 2021 Ground Lease) with respect to the Series 2021 Ground Lease, and no later than 120 days prior to the commencement of each Lease Year thereafter, Lessee will prepare or cause the Manager to prepare a Capital Budget setting forth the following:

(a) the nature, cost, and timing of the capital improvements and F.F. & E. replacements projected to be required for the Project during the lesser of (a) the following 15 Lease Years with respect to the Series 2004 Project, the Series 2008 Project and the Series 2011 Project, and 30 Lease Years with respect to the Series 2017 Project and the Series 2021 Project, or (b) the projected remaining term of the Bonds;

(b) a projection of the amounts of funds required to be on deposit in the Repair and Replacement Fund for each year of the Capital Budget in order to (a) fully fund the capital improvements and F.F. & E. replacements projected in the Capital Budget and (b) maintain the following Minimum Reserve Balance with respect to the Series 2004 Project: Lease Years 1 through 10: $750,000, and thereafter, $1,000,000; with respect to the Series 2008 Project: for Lease Years 1 through 5: $845,428, for Lease Years 6 through 11: $1,127,238, and thereafter $1,502,984; with respect to the Series 2011 Project: $1,000,000 in Current Dollars; with respect to the Series 2017 Project: until June 30, 2025, $1,000,000, from July 1, 2025 through June 30, 2030, $1,500,000, and after June 30, 2030, $2,000,000 in Current Dollars; and with respect to the Series 2021 Project: until June 30, 2028, $1,000,000, from July 1, 2028 through June 30, 2033, $1,500,000, and after July 1, 2033, $2,000,000 in Current Dollars;

(c) the amount of the Repair and Replacement Deposit proposed to be deposited in the Repair and Replacement Fund for the following Lease Years with respect to the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project, provided that such deposit will be no less than $605,384 in Current Dollars with respect to the Series 2004 Project; $827,358 in Current Dollars with respect to the Series 2008 Project; $585,204 in Current Dollars with respect to the Series 2011 Project; $357,860 in Current Dollars with respect to the Series 2017 Project; and $237,074 in Current Dollars with respect to the Series 2021 Project (the "Base Reserve Deposit");

(d) the amount of funds to be deposited into the Repair and Replacement Fund, if and as available from the Surplus Fund, and if necessary, to fully fund capital improvements and F.F. & E. replacements projected in the Capital Budget and maintain the required Minimum Reserve Balance for the following Lease Year ("Supplemental Deposit").

Lessee will, to the greatest extent possible, prepare the Capital Budget so that year-to-year changes exceeding ten percent (10%) in the sum of the Base Reserve Deposit and the Supplemental Deposit are avoided. Lessee will provide Lessor with a copy of the Capital Budget within ten (10) days following its preparation.

**Budget Reporting**

No later than ninety (90) days prior to July 1, 2006 with respect to the Series 2004 Project, July 1, 2010 with respect to the Series 2008 Project, July 1, 2012 with respect to the Series 2011 Project, July 1, 2019 with respect to the Series 2017 Project, and no later than ninety (90) days prior to the Completion Date (as defined in the Series 2021 Ground Lease) with respect to the Series 2021 Project, and ninety (90) days prior to the commencement of each Lease Year thereafter, Lessee will cause Manager to prepare and submit to Lessee for Lessee's approval a proposed Annual Budget and an Operating Plan for the following Lease Year, which Annual Budget and Operating Plan will incorporate the Operating Budget and the Capital Budget for the Lease Year.

**Insurance—Property Loss Coverage**

From the Effective Date until the expiration or earlier termination of the Ground Lease, Lessee will keep, or cause to be kept, the Project, including without limitation the Leased Land and the Project, F.F. & E. and all of Lessee's and Lessee's sublessee's personal and real property which may be situated on Leased Land, insured by an all-risk or, with respect to the Series 2017 Project and the Series 2021 Project, special form policy of insurance (which may be in the form of a blanket policy covering multiple locations) for the greater of:

(a) the then current cost of demolition and removal of the Project.

(b) 100 percent of the full, undepreciated replacement cost from time to time of the Project.

**Excluded Deductible**

Such insurance coverage may provide for the exclusion from the afforded coverage of up to the first twenty-five thousand dollars ($25,000) with respect to the Series 2004 Project, the Series 2008 Project and the Series 2011 Project, up to the first one hundred thousand dollars ($100,000) with respect to the Series 2017 Project, and up to the first one hundred fifty thousand dollars ($150,000) with respect to the Series 2021 Project in Current Dollars of the amount of any loss or damage.

**Liability Coverage**

Lessee will, at all times during the Term, maintain, or cause to be maintained, insurance to cover all activities in connection with the Ground Lease, for bodily injury, personal injury and property damage, general liability coverage and umbrella or excess liability coverage of not less than $25 Million.

**Rental Interruption Coverage**

Lessee will, at all times during the Term maintain a policy of rental interruption insurance for the Project in an amount not less than twenty-four (24) months of Annual Debt Service (as defined in the Indenture) of the Series 2021 Bonds.

**Current Dollars**

All sums set forth in the "Insurance" provision of the Ground Lease, described herein, will be maintained in Current Dollars during the Term.

**Settlement of Claims**

Provided Lessee is not in default under the Ground Lease, nor has there occurred any event which, with the giving of notice or the passage of time or both, could result in Lessee being in default under the Ground Lease, if any portion of the Series 2017 Project, or the Series 2021 Project, or the Student Housing Facilities with respect to the Series 2004 Project, the Series 2008 Project and the Series 2011 Project, will be damaged or destroyed by an insured peril or otherwise, Lessee will have the right to settle, adjust or compromise any claim involving less than One Hundred Thousand Current Dollars ($100,000), which amount shall be increased by Fifteen Thousand Dollars ($15,000) every five (5) years with respect to the Series 2021 Project. Otherwise, the consent and approval of Lessor will be required to any proposed settlement, adjustment or compromise of any insurance claim.

**Damage and Destruction**

Subject to the provisions of the preceding section - Insurance - the following provisions apply:

<u>Insured Risk</u>

If during the Term (but commencing, as to the Series 2021 Project, upon its Substantial Completion) the Project is wholly or partially damaged or destroyed by a risk covered by insurance, or required to be covered by insurance under any term of the Ground Lease, Lessee will promptly give written notice of such damage or destruction to Lessor, the Bond Trustee, and the Issuer. Such damage or destruction will not terminate the Ground Lease, and Lessee will, to the extent of the sum of (i) the funds, if any, in the Repair and Replacement Fund and (ii) the Net Proceeds, promptly repair and restore the Project to substantially the same floor area and nature as existed immediately prior to such damage or destruction unless Lessor gives its prior written approval to do otherwise. Such restoration will be commenced promptly and prosecuted with due diligence. Lessor will cooperate with Lessee in the procurement and issuance of all necessary permits, licenses, and approvals to commence and complete such restoration, provided that it will incur no expense in or cost in doing so.

<u>Restoration Feasibility</u>

Notwithstanding any other provisions of the "Insured Risk" provision of the Ground Lease, described above, if the Project is wholly or partially damaged or destroyed, and Net Proceeds exceeds $1,000,000, the provisions of this section will apply.

(a) Within thirty (30) days of the loss, Lessee will employ an independent financial consultant acceptable to Lessor and Bond Trustee, which financial consultant will determine the following matters ("Feasibility Tests"):

(i) Whether or not the Net Proceeds, together with (i) the funds, if any, in the Repair and Replacement Fund; (ii) any additional funds which Lessee is willing to contribute; (iii) any funds which can obtained through the financing contemplated in the "Subordinate Financing" provision of the Ground Lease, described below; (iv) any funds which are otherwise available, are sufficient to repair, reconstruct, restore, or replace the damage or destruction.

(ii) Whether or not the proceeds from any rental interruption insurance (or similar insurance), together with any other funds which are or will be available to Lessee, are sufficient to satisfy Fixed Charges and anticipated Operating Expenses of the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project combined during the period of repair, reconstruction, restoration or replacement.

(iii) Whether or not, after the repair, reconstruction, restoration, and replacement of the damage or destruction has been completed, the Operating Budget (prepared in accordance with the 2004 Ground Lease, the 2008

Ground Lease, the 2011 Ground Lease, the Series 2017 Ground Lease, and the Series 2021 Ground Lease) will result in a Fixed Charges Coverage Ratio equal to or greater than 1.20, taking into particular account (1) the feasibility of the Occupant Rental Rates necessary to achieve such Operating Budget, and (2) the Fixed Charges resulting from the use of any of the sources of funds listed in (a)(i), above.

The financial consultant will be required to submit its determinations in a written report to Lessee, Lessor, and the Bond Trustee within ninety (90) days of the loss.

(b) If the financial consultant makes an affirmative determination as to each of the three Feasibility Tests, then Lessee will promptly proceed to repair and restore the Project as provided for in the "Insured Risk" provision of the Ground Lease, described above.

(c) If the financial consultant makes a negative determination as to any one of the three Feasibility Tests, then Bond Trustee, after notice to and consultation with Lessee and Lessor, may direct whether the Net Proceeds (if any) will be used to prepay all or a portion of the outstanding Bonds. If such direction is not given within thirty (30) days after the financial consultant renders its report, Lessor will then make such election, which election will be made within sixty (60) days of the financial consultant rendering its report. If Bond Trustee directs, or if Lessor elects to use such Net Proceeds to prepay all or a portion of the outstanding Bonds, and if no other amounts are owed and payable under the Indenture, the Lease will terminate, and the termination provisions of the Ground Lease will apply. If the Bond Trustee directs or the Lessor elects to prepay a portion of the outstanding Bonds and, after such repayment, there are Bonds which remain outstanding, or other amounts are owed and are payable under the Indenture, the Lease will remain in effect, and Lessee will continue to operate the undamaged portions of the Project.

Procedure Upon Termination

If the Lease is terminated by an election made by the Bond Trustee to prepay all or a portion of the outstanding Bonds, or by an election made by the Lessee or Lessor to not restore the Project, the following provisions will apply:

(a) Lessee will be obligated, to the extent of the sum of the Net Proceeds, to immediately demolish the Project, at its cost and expense. However, Lessee will not demolish the Project if Lessor notifies Lessee that it is not to be demolished.

(b) Net Proceeds will first be applied to pay the Leasehold Deed of Trust Trustee (or, if required by the Indenture, the Bond Trustee), the amount then owing under the Bonds; they will next be applied as follows:

(c) If Lessee elects or the Bond Trustee directs to not restore the Project, and Lessor elects not to have the Project demolished, Net Proceeds remaining after the aforementioned payment to the Leasehold Deed of Trust Trustee (or Bond Trustee) will be paid to Lessor.

(d) If Lessee elects or the Bond Trustee directs not to restore the Project, and Lessor elects to have the Project demolished, the Net Proceeds remaining after payment of all amounts owing to any Leasehold Deed of Trust Trustee will be held in a mutually acceptable escrow.

Uninsured Risk

If during the Term, the Project is wholly damaged or destroyed by a risk not required to be insured under the Ground Lease, Lessee will promptly give written notice of such damage or destruction to Lessor detailing facts that qualify the casualty under this provision, and Lessee will restore the Project, unless both (i) the reasonable estimate of the cost for restoration is more than the amount then in the Repair and Replacement Fund, and (ii) Lessee elects not to restore. If both of these conditions have been met, Lessee will demolish the Project unless Lessor has given notice to Lessee that the Project is to remain, and the Lease will terminate. If during the Term, the Project is partially damaged or destroyed by a risk not required to be insured under the Ground Lease, Lessee will promptly give written notice of such damage or destruction to Lessor detailing facts that qualify the casualty under this provision, and to the extent of (i) the amount in the Repair and Replacement Fund, and (ii) additional amounts, if any, which Lessee elects to borrow, restore the Project to the maximum usable square feet.

Subordinate Financing

Notwithstanding anything to the contrary contained in the Ground Lease, if Lessee determines in Lessee's reasonable discretion that the Net Proceeds from insurance or condemnation awards are not sufficient to repair, replace, rebuild, restore and/or re-equip the Project, to substantially the same condition that existed prior to the taking or the event that caused such damage, and if Lessee will elect (subject to its obligations under the Loan Agreement) to repair, replace, rebuild, restore and/or re-equip the Project, then Lessee will have the right to obtain financing which will be subordinate to the Ground Lease in order to repair, replace, rebuild, restore and/or re-equip the Project, which financing may be secured by lien and/or leasehold deed of trust on Lessee's Interest and/or the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, and the Series 2021 Project, provided that (a) no such financing will extend beyond the Term and (b) no such financing will result in a Fixed Charges Coverage Ratio of less than 1.20. Lessor will execute such consents or other documents as will be reasonably required for such subordinate financing.

**Condemnation—General Rights and Obligations**

If, during the Term, the Premises, or any portion thereof or interest therein, will be appropriated, taken or damaged by reason of the exercise of the power of eminent domain, whether by condemnation proceedings or otherwise, or any transfer thereof will be made in avoidance of an exercise of the power of eminent domain (all of the foregoing being hereinafter referred to as a "Taking"), the rights and obligations of Lessor and Lessee with respect to said Taking will be as hereinafter provided in the "Condemnation" provision of the Ground Lease, described herein.

**Full Taking**

In the event of the Taking of all of Leased Land or all of the Project ("Full Taking"), the Ground Lease will terminate as of the date on which title vests in the condemning authority, and Lessee will thereupon be released from any liability thereafter accruing under the Ground Lease with respect thereto.

**Partial Taking**

In the event any portion of Leased Land or any portion of the Project will be taken or all of the Leased Land or Project will be temporarily taken (collectively, "Partial Taking"), the Ground Lease will continue in full force and effect except as hereinafter provided in the "Economic Viability" provision of the Ground lease, described below.

**Economic Viability**

If (i) Lessee and Lessor will jointly determine that the remainder of the Leased Land, or the remainder of the Project, or the remainder of the Term, or any interest in them, after application of Lessee's award to the restoration of the Project as required in the "Taking Without Termination" provision of the Ground Lease, described below, would not, because of the Partial Taking, constitute an economically viable project of the type contemplated by the Lease, or, (ii) in the event Lessee and Lessor will disagree and an arbitration under the "Arbitration" provision of the Ground Lease, described below, will determine that, because of such Partial Taking, such economic viability could not be achieved, then the Ground Lease will terminate as of the date of the Partial Taking with the same results as above described in the case of a Full Taking, and Lessee will demolish and remove the remaining portion of the Project, at its expense, to the extent possible using the Net Proceeds, unless instructed not to do so by Lessor.

**Taking Without Termination**

In the event of any Taking which does not result in the termination of the Ground Lease in accordance with the foregoing, then: (i) each party to the Ground Lease will be entitled to prosecute claims in such condemnation proceedings for the value of their respective interests, and (ii) Lessee will, to the extent of its receipt of any award, with due diligence following the Taking, commence all work required to remedy any physical damage done by such Taking to restore the Project for the continuation of the use being made thereof prior to such Taking, and thereafter prosecute the same to completion with all due diligence, subject to the provisions in the Construction Rider, construed for such purpose, to apply to work occurring after the initial construction of the Project.

**Taking With Termination**

In the event of any Taking which results in the termination of the Lease in accordance with the foregoing, each party to the Ground Lease will be entitled to prosecute claims in such condemnation proceedings for the value of its respective interest.

**Bond Documents**

Notwithstanding anything else contained in the Ground Lease, the provisions of the Bond Documents will control in all respects the receipt, handling, and application of any and all condemnation proceeds with respect to Lessee's Interest, it being acknowledged and agreed that the Issuer, the Bond Trustee, and any other permitted Leasehold Deed of Trust Trustee, as their respective interests may appear, will have a first and prior security interest therein.

**Arbitration**

Either party will have the right to submit any dispute under the Ground Lease to arbitration, except in those situations where the Lessor is acting in its role as approving agency. Unless otherwise agreed upon by the parties, such arbitration will be conducted as follows: The party demanding arbitration will give written notice of its demand to the other party stating the subject matter of the dispute and the name and address of a qualified person to act as its arbitrator. Within 15 days after the receipt of such notice, the receiving party will give notice to the demanding party stating the name and address of a qualified person to act as its arbitrator. The two arbitrators named by the parties must be experienced in the field of the matter in dispute. If within 30 days following the appointment of the latter of the arbitrators, they are unable to agree in respect of the matter in dispute, they will appoint by instrument in writing as a third arbitrator a similarly qualified person, who will proceed with the two arbitrators first appointed to determine the matter in dispute.

**Events of Default Defined**

The following will be "Events of Default" under the Ground Lease, and the terms "Event of Default" or "Default" will mean any one or more of the following events:

(a) Subject to the provisions of the Ground Lease, Lessee will fail to pay the Rent at the times specified in the Ground Lease and such failure will continue for fifteen (15) days after written notice thereof from Lessor.

(b) Lessee will fail to correct any Operating Deficiency within the periods provided for in the "Failure to Meet Standards of Operation" provision of the Ground Lease, described above.

(c) Except to the extent of delay caused by Force Majeure, Lessee will fail to perform or cause to be performed any other term, covenant, condition, or provision of the Ground Lease, other than as referred to in the "Events of Default and Remedies" provision of the Ground Lease, described herein, and to correct such failure within thirty (30) days after written notice specifying such failure is given to Lessee by Lessor. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of Lessor, it will not constitute an Event of Default if corrective action is instituted by Lessee within the applicable period and diligently pursued until the failure is corrected.

(d) Lessee will be adjudicated a bankrupt.

(e) A permanent receiver will be appointed for Lessee's interest in the Premises and such receiver will not be removed within ninety (90) days after notice from Lessor to Lessee to obtain such removal.

(f) Lessee will voluntarily take advantage of any debtor relief proceedings under any present or future law whereby the Rent or any part thereof will be reduced or payment thereof deferred or will become subject to any such involuntary proceedings and said involuntary proceedings will not be dismissed within ninety (90) days after notice from Lessor to Lessee to obtain such dismissal.

(g) Lessee will make a general assignment for benefit of creditors.

(h) The Premises or Lessee's effects or interests therein will be levied upon or attached under process against Lessee, and the same will not be satisfied or dissolved within ninety (90) days after notice from Lessor to Lessee to obtain satisfaction or dissolution thereof.

(i) An Event of Default, as defined in the Series 2004 Ground Lease, will have occurred under the Series 2004 Ground Lease and will have continued beyond all applicable cure periods.

(j) An Event of Default, as defined in the Series 2008 Ground Lease, will have occurred under the Series 2008 Ground Lease and will have continued beyond all applicable cure periods.

(k) An Event of Default, as defined in the Series 2011 Ground Lease, will have occurred under the Series 2011 Ground Lease and will have continued beyond all applicable cure periods.

(l) An Event of Default, as defined in the Series 2017 Ground Lease, will have occurred under the Series 2017 Ground Lease and will have continued beyond all applicable cure periods.

(m) An Event of Default, as defined in the Series 2021 Ground Lease, will have occurred under the Series 2021 Ground Lease and will have continued beyond all applicable cure periods.

**Remedies**

Subject to the "Encumbering the Leasehold" provision of the Ground Lease, described below, upon the occurrence of an Event of Default, Lessor may pursue one of the following remedies:

(a) Subject to the written notice to and the rights of the Bond Trustee under the "Encumbering the Leasehold" provision of the Ground Lease, described below, terminate the Ground Lease immediately upon written notice thereof to Lessee, and thereafter, without legal process, enter upon and take possession and control of the Premises to the complete exclusion of Lessee. Lessor may also demand, collect, and retain all rents due from Lessees occupying the Premises, and Lessor may otherwise treat and occupy the Premises as if the Ground Lease had expired of its own limitation. The failure of Lessor to exercise such rights after one or more Events of Default will not be a waiver of the rights of Lessor upon the occurrence of any subsequent Event of Default; or

(b) As Lessee's legal representative, without terminating the Ground Lease, re-let the Premises upon obtaining the written consent of any Bond Trustee. Such re-letting may be accomplished without advertisement and by private negotiations for such term or terms and at such rental or rentals as Lessor in its sole discretion may deem proper and advisable, with the right to make alterations and repairs to the Premises. Upon each such reletting:

(i) Subject to the limitations in the "Limitation of Liability" provision of the Ground Lease, Lessee will be immediately liable to pay to Lessor, in addition to any sums due under the Ground Lease, the reasonable cost and expenses of such reletting and of such alterations and repairs incurred by Lessor; and,

(ii) Subject to applicable law, rents received by Lessor from such reletting will be applied: First, to the payment of any costs and expenses of such re-letting and of such alteration and repair; Second, to the payment of Rent due and unpaid under the Ground Lease; and Third, the residue, if any, will be held by Lessor, in escrow, and (1) applied to the payment of the Rent as the same will become due under the Ground Lease and (2) if any balance will then remain, paid to Lessee at the termination of the Ground Lease. Lessor will in no event be liable to Lessee for any interest on the said residue.

**Extinguishment of Lessee's Rights**

Upon the termination or expiration of the Ground Lease from any cause, all rights and interests of Lessee, and all persons whomsoever claiming by, through or under Lessee (with the exception of the rights of Leasehold Deed of Trust Trustees arising under the "Limitation on Termination Rights of Lessor" provision of the Ground Lease, described below,), will immediately cease and terminate, and the Premises, including all buildings, improvements, FF&E, including without limitation, engines, machinery, generators, boilers, furnaces, elevators, fire escapes, and all lifting, lighting, heating, cooling, refrigerating, air conditioning, ventilating, gas, electric and plumbing apparatus, appliances and fixtures, as well as other fixtures attached to or within the Premises, and all personal property of Lessee located thereon, will thence forward constitute and belong to and be the absolute property of Lessor or Lessor's successors and assigns, without further act or conveyance, and without liability to make such compensation to Lessee or to anyone whomsoever, and free and discharged from all and every lien, encumbrance, claim and charge of any character created or attempted to be created by Lessee at any time. Lessee agrees, at the termination of the Ground Lease, to surrender unto Lessor, all and singular the Premises with then existing buildings, other structures and improvements constructed and located thereon and therein, in the same condition as when the construction of such buildings, other structures, and improvements was completed, only natural and normal wear and tear excepted, unless Lessee will be relieved of Lessee's obligation to repair, reconstruct, restore or replace damaged or destroyed buildings, other structures or improvements pursuant to the "Damage and Destruction" provision of the Ground Lease, described above.

**Lessor's Consent to Encumber Leasehold**

Lessor consents to Lessee's encumbrance of its interest in the Ground Lease pursuant to the Issuer Deed of Trust, which will secure outstanding principal indebtedness of no more than $____________. Lessor acknowledges that the Issuer has pledged, assigned and transferred its right, title and interest in and to the Ground Lease to the Bond Trustee pursuant to the Indenture and that the Bond Trustee is vested with all of the rights and benefits accorded the Issuer in the Ground Lease or otherwise.

**General Limitation on Encumbrance**

Except as provided in the "Subordinate Financing" provision of the Ground Lease, described above, and the "Lessor's Consent" provision of the Ground Lease, described above, Lessee, every successor and assign of Lessee, will have no right to encumber its interest in the Ground Lease without Lessor's consent.

**No Modifications**

There will be no cancellation, surrender or modification of the Ground Lease by Lessor or Lessee without the prior written consent of the Leasehold Deed of Trust Trustee. Notwithstanding the foregoing (but, in any event, subject to the Leasehold Mortgagee/Deed of Trust Trustee's rights set forth in the "Encumbering the Leasehold" provision of the Ground Lease, described herein), nothing in the Ground Lease will be deemed to prohibit Lessor from terminating the Ground Lease in accordance with its terms. There will be no material modification in the Leasehold Deed of Trust, the Indenture, or related documentation without Lessor's prior written consent.

**Notice and Right to Cure**

Lessor, upon serving Lessee with any notice of an Event of Default, failure to comply, or termination, will simultaneously serve a copy of such notice on the Leasehold Deed of Trust Trustee. If Lessor will serve Lessee with a notice of a failure to comply with any term, covenant, condition, or provision of the Ground Lease, the Leasehold Deed of Trust Trustee will then have the same period after service of the notice on it as is given to Lessee under the Ground Lease to remedy or cause to be remedied such failure, and Lessor will accept performances by or at the instigation of the Leasehold Deed of Trust Trustee as if it had been done by Lessee. Any notice required to be given to the Leasehold Deed of Trust Trustee will be posted in the United States mail, postage prepaid, certified, return receipt requested (or transmitted by facsimile transmission) and addressed to the Leasehold Deed of Trust Trustee at the address and to the attention of the person designated to Lessor by the Leasehold Deed of Trust Trustee to receive copies of such notices and will be deemed to have been served as of the date the said notice is received or refused by the Leasehold Deed of Trust Trustee.

**Limitation on Termination Rights of Lessor**

If Lessor will elect to terminate the Ground Lease upon the occurrence of an Event of Default, the Leasehold Deed of Trust Trustee will also have the right to postpone and extend the date of termination as fixed by the provisions of the Ground Lease for a period of not more than six (6) months from the expiration of the ninety (90) day period specified in the "Additional Cure" provision of the Ground Lease, provided that the Leasehold Deed of Trust Trustee will pay the Rent and other charges required to be paid under the Ground Lease during such period, and provided further, that the Leasehold Deed of Trust Trustee of the Ground Lease will forthwith take steps necessary to acquire Lessee's interest and estate in the Ground Lease whether by foreclosure of its Leasehold Deed of Trust, or otherwise, and will prosecute such action to completion with due diligence. If at the end of the six (6) month period, the Leasehold Deed of Trust Trustee of the Ground Lease will be actively engaged in steps to acquire or sell Lessee's interest in the Ground Lease, the time for Leasehold Deed of Trust Trustee to comply with the "Limitation on Termination Rights of Lessor" provision of the Ground Lease, described herein, will be extended for such period as will be reasonably necessary to complete these steps with reasonable diligence and continuity.

**Deed of Trust Trustee Leases**

Lessor agrees that in the event of a termination of the Ground Lease by reason of any Event of Default, and subject to the rights granted in the Ground Lease to the Leasehold Deed of Trust Trustee, the Leasehold Deed of Trust Trustee will have the option, but not the obligation, to enter into a Deed of Trust Trustee Lease (or appoint a designee to enter into a Deed of Trust Trustee Lease); provided:

(a) the Leasehold Deed of Trust Trustee will enter into a Deed of Trust Trustee Lease on the same terms within the six (6) month period specified in the "Limitation on Termination Rights of Lessor" provision of the Ground Lease, described above;

(b) the Leasehold Deed of Trust Trustee will perform and observe all covenants contained in the Deed of Trust Trustee Lease on Lessee's part to be performed during such period of time commencing with the date of the execution of the Deed of Trust Trustee Lease and terminating upon the abandonment or surrender of possession of the Premises under the said Deed of Trust Trustee Lease; and

(c) the Leasehold Deed of Trust Trustee, as lessee under the Deed of Trust Trustee Lease, will have the same right, title and interest in and to the Premises and the right to use the buildings and improvements thereon as Lessee had under the Ground Lease.

**Holding Over by Lessee**

Lessee will not use or remain in possession of the Premises after the termination of the Ground Lease. Any holding over, or continued use or occupancy by Lessee after the termination of the Ground Lease, without the written consent of Lessor, will not constitute a Lessee-at-will interest on behalf of Lessee, but Lessee will become a Lessee-at-sufferance and liable for Rent and all other expenses, obligations and payments in effect for the immediately preceding year of the term of the Ground Lease. There will be no renewal whatsoever of the Ground Lease by operation of law.

**Subordination**

Notwithstanding anything else contained in the Ground Lease, Lessor agrees that the financing of the acquisition, construction and/or furnishing of the Project will directly benefit Lessor's operations and Lessor agrees that its interest in and to the rents, revenues, issues and profits relating to the operation of the Project, including, without limitation, all insurance proceeds, reserve funds and Project Gross Revenues, as well as any and all rights to any and all Assigned Agreements with respect to the Series 2017 Project and the Series 2021 Project, and contracts, agreements and other instruments in connection with the design, acquisition, construction, equipping, installation and/or operation of the Series 2004 Project, the Series 2008 Project and the Series 2011 Project, including, without limitation, the Management Agreement, will be junior and subordinate to the interest of the Issuer, the Bond Trustee, and/or any other Leasehold Deed of Trust Trustee in the Management Agreement with respect to the Series 2004

Project, the Series 2008 Project and the Series 2011 Project, and in any such Assigned Agreements with respect to the Series 2017 Project and the Series 2021 Project, as granted or provided in any of the Bond Documents (collectively, the "Bond Collateral"). So long as any of the indebtedness with respect to the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, and the Series 2021 Project created, evidenced, or secured by any of the Bond Documents remains outstanding and unpaid, Lessor will not exercise any rights or remedies with respect to the Bond Collateral without either (i) complying with the "Encumbering the Leasehold" provision of the Ground Lease, described above, or (ii) obtaining in each instance the prior written consent of the Issuer, the Bond Trustee, and any other Leasehold Deed of Trust Trustee.

**Interest on Unpaid Amounts**

Any sums that are payable by Lessee to Lessor under the Ground Lease (including any Rent) and that are not paid to Lessor within ten (10) days after the due date thereof will bear interest at the rate of six percent (6%) per annum or, with respect to the Series 2017 Ground Lease and the Series 2021 Ground Lease, the lesser of (a) six percent (6%) per annum, or the highest permitted by Applicable Law, from the due date thereof through the date payment of the same is made. If it becomes necessary for Lessor to bring suit for collection of any sum(s) stipulated in the Ground Lease to be paid by Lessee, Lessee will pay any and all such reasonable expenses and costs as Lessor may incur, including, but not limited to, reasonable attorneys' fees actually incurred or reasonably determined to be the cost of legal services supplied by salaried employees of Lessor.

**Membership in Foundation**

In recognition of the assistance to be provided by the Lessee and the Foundation to the Lessor to provide needed housing for the Lessor's students and to otherwise assist the Lessor in furthering its educational mission, Lessor acknowledges and agrees that upon execution of the Ground Lease, the Lessor will be deemed to be a member of the Foundation and that it will remain such a member until the termination of the Ground Lease provided, however, notwithstanding anything in the Ground Lease or in the Foundation's bylaws to the contrary, the Lessor will in no event be liable for the obligations of the Foundation or have any other obligations as a result of being a member of the Foundation other than those explicitly imposed by this section.

(a) The Lessor warrants, represents and agrees that at all times during the term of the Ground Lease it will be and remain an organization which is described in either Section 511(a)(2)(B) of the Internal Revenue Code, or Section 501(c)(3) and 170(b)(1)(A)(ii) of the Internal Revenue Code that is not a private foundation within Section 509 of the Internal Revenue Code.

(b) In consideration for entering into the Ground Lease, the Lessor will pay or cause the Foundation to be paid the amounts set forth in the Ground Lease.

## THE 2026 GROUND LEASE

*The following is a summary of the 2026 Ground Lease (herein defined as the "Ground Lease," the "Series 2026 Ground Lease" or the "Lease").*

**Definitions Used in the Ground Lease**

***"Additional Bonds***" means such taxable or tax-exempt bonds issued subsequent to the issuance of the Series 2026 Bonds pursuant to the terms of the Indenture in order to complete the Series 2026 Project and Offsite Elements, to refund any Bonds or to finance any subsequent expansion of the Series 2026 Project or any student housing facilities and associated site development and related amenities and improvements other than the Series 2026 Project which the Lessee and Lessor subsequently agree that the Lessee shall acquire, develop, finance, construct, equip, furnish, and/or operate on the Campus.

***"Additional Rent"*** means the amounts payable to Lessor from the Surplus Fund pursuant to the Indenture, and any amounts designated as Additional Rent pursuant to the Ground Lease which are payable by Lessee to Lessor other than Rent.

***"Alternate Services"*** means with respect to the Series 2026 Project, the services that Lessee shall provide or cause to be provided if Lessee fails to achieve Substantial Completion of the Series 2026 Project, (i) on or prior to the Completion Date or, (ii) by the date of commencement of the lease term of any Resident Lease, and, as a result thereof, prospective Occupants of the Series 2026 Project are unable to take occupancy in the Series 2026 Project on or before such Resident Lease Commencement Date.

***"Annual Budget"*** means the means the Operating Budget and Capital Budget for the Premises and Personalty for each Lease Year developed by the Manager and approved by Lessor and Lessee in accordance with the Article in the Ground Lease titled "Capital, Annual Budgets; Financial Statements."

***"Article 5 of the Collective Bargaining Agreement"*** means Article 5 of the Contract for the Service Unit (SX) between the University of California and the American Federation of State, County, and Municipal Employees 3299, effective January 31, 2020 through October 31, 2024, as modified on July 1, 2025, as the same may be amended, supplemented, updated or replaced from time to time (as of the Effective Date, Article 5 of the Collective Bargaining Agreement may be found at https://ucnet.universityofcalifornia.edu/resources/employment-policies-contracts/bargaining-units/service/contract/).

***"Bond Documents"*** means, collectively, the Indenture, the Loan Agreement, the Issuer Deed of Trust, the Assignment of Construction Documents, the Financing Trust Agreement and all other instruments or agreements executed by the Issuer and/or Lessee in connection with the issuance and delivery of the Series 2026 Bonds (each, a "Bond Document").

***"Bond Trustee"*** means The Bank of New York Mellon Trust Company, N.A., a national banking association, as Trustee under the Indenture, and its successors and assigns in such capacity.

***"Bonds"*** means, collectively, the revenue bonds designated "California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments – CHF – Irvine, L.L.C.) Series 2016" previously issued pursuant to the Indenture, "California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine, East Campus Apartments, Phase IV-A CHF—Irvine, L.L.C.) Series 2017" previously issued pursuant to the Indenture, the "California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding and Phase IV-B CHF-Irvine, L.L.C.) Series 2021" previously issued pursuant to the Indenture, the "California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF-Irvine, L.L.C.) Series 2026" to be issued pursuant to the Indenture and any Additional Bonds.

***"Campus"*** means any real property owned by Lessor in proximity to its educational facilities in Irvine, California.

***"Campus Regulations"*** means the "Campus Student Housing Policies 2021-2022" and Sections 903, 904, and 905 of the Administrative Procedures (to the extent relevant to the Series 2026 Project), as such Campus Regulations may be amended, supplemented, updated or replaced from time to time.

***"Capital Budget"*** means the combined annual capital budget for the Project, comprised of the Series 2011 Capital Budget, the Series 2016 Capital Budget, the Series 2017 Capital Budget, the Series 2021 Capital Budget, and the Series 2026 Capital Budget, provided, however, if the Series 2004 Project, Series 2008 Project, Series 2011 Project, Series 2017 Project, or Series 2021 Project cease to be a part of the Project, the corresponding capital budget, or portion thereof, shall be removed from the combined annual capital budget.

***"Construction Documents"*** means, as to the initial improvements, collectively, the Development Agreement, the Construction Contract, the Architect's Agreement, the Plans and Specifications and the Schedule of Performance, all other contracts and/or agreements between Lessee or Developer, as applicable, and, as to any Work in excess of the Threshold Amount performed following the Completion Date, all contracts and/or agreements between Lessee and any person or firm rendering services, performing Work or supplying materials in connection with the design, acquisition, demolition, construction, furnishing, equipping and completion of the Series 2026 Project, and the Offsite Elements, as applicable, as such documents may be amended, supplemented or modified from time to time in accordance with the terms of the Ground Lease.

**"*Coverage Reserve Fund*"** means a fund established with the Bond Trustee pursuant to the Indenture established to provide debt service coverage under the terms of the Indenture.

**"*Covered Services*"** means cleaning, custodial, janitorial, or housekeeping services; grounds keeping; and building maintenance (excluding skilled crafts).

**"*Current Dollars*"** means a dollar amount calculated by multiplying a dollar amount specified in the Ground Lease by a fraction, the numerator of which is the Consumer Price Index last published prior to the date upon which such amount is calculated and the denominator of which is the Consumer Price Index last published prior to the Effective Date.

**"*Deed of Trust Trustee Lease*"** means a lease of the Premises entered into between a Leasehold Deed of Trust Trustee, as lessee, and Lessor, as lessor, as a result of a termination of the Ground Lease by reason of any Event of Default for the remainder of the term effective as of the date of termination of the Ground Lease, at the same Rent and upon the same terms, provisions, covenants, and agreements as contained in the Ground Lease and subject to no additional exceptions or encumbrances other than Permitted Encumbrances and to the rights, if any, of the parties then in possession (actual or constructive) of any part of the Premises.

**"*Developer*"** means ACC SC Development (California) LP**,** a Delaware limited partnership, and its successors and assigns.

**"*Development Agreement*"** means that certain Development Agreement by and between Lessee and Developer with respect to the development of the Series 2026 Project.

**"*Effective Date*"** means the date of issuance of the Series 2026 Bonds.

**"*Eligible Tenants*"** means Permitted Occupants, plus, to the extent Lessor has consented pursuant to the "Permitted Occupants" provision of the Ground Lease, described below, (i) other students enrolled at the Campus and (ii) Campus faculty and staff members; and (iii) persons attending a program presented and conducted on the Campus by Lessor or another organization recognized as exempt under Section 501(c)(3) of the Internal Revenue Code whose presence furthers the educational mission of the Lessor.

**"*Event of Default*"** means each of the events specified in the Ground Lease as such.

**"*Final Completion*"** means the date as of which (i) Substantial Completion has been achieved, and (ii) no additional Work is required to achieve conformance of both the Series 2026 Project (as evidenced by the issuance by the Approving Agency of a Certificate of Occupancy for all buildings within the Series 2026 Project) and the Offsite Elements with the Plans and Specifications

**"*Final Completion Date*"** means the date on which Final Completion occurs.

**"*Financial Statement*"** means a report, in form and content reasonably satisfactory to Lessor, that, in addition to any other matters which Lessor may reasonably request from time to time, (i) presents on a monthly basis no later than the 15th day succeeding the end of each month, financial statements consisting of an unaudited statement of net assets as of the end of the preceding month and a statement of revenues, expenses and changes in net assets for both the preceding month and fiscal year-to-date prepared on an accrual basis in accordance using GAAP, in addition to schedules that outline activity in capital asset accounts and debt accounts ("Monthly Financial Statements"), and (ii) compares, in the Monthly Financial Statements, actual Occupancy Receipts, Operating Expenses, and capital expenditures for such month and for the year-to-date against the corresponding line items in the Annual Budget for such periods.

***"Financing Trust Agreement"*** means the Financing Trust Agreement dated December 1, 2004 as supplemented by the First Supplemental Financing Trust Agreement between the Master Trustee and Lessee, dated as of the December 1, 2004, the Second Supplemental Financing Trust Agreement, dated as of April 1, 2006, the Third Supplemental Financing Trust Agreement, dated as of July 1, 2008, the Fourth Supplemental Financing Trust Agreement, dated as of December 1, 2011, the Fifth Supplemental Financing Trust Agreement, dated as of March 1, 2016, the Sixth Supplemental Financing Trust Agreement, dated as of August 1, 2017, the Seventh Supplemental Financing Trust Agreement, dated as of October 1, 2021, and the Eighth Supplemental Financing Trust Agreement, dated as of the Effective Date, each between the Master Trustee and Lessee as the same may be amended or further supplemented from time to time in accordance with the provisions thereof.

***"Fiscal Year"*** means the period July 1 through June 30.

***"Fixed Charges"*** means the sum of all cash outflows related to the Project that the Borrower cannot avoid without violating long-term contractual or legal obligations (those obligations which extend for a period greater than one year), for any period, as further provided in the Indenture.

***"Fixed Charges Coverage Ratio"*** means, for any period, the ratio of (a) Revenue Available for Fixed Charges plus the then-current balance in the Coverage Reserve Fund to (b) Fixed Charges, as defined in the Indenture.

***"Force Majeure"*** means an Act of God (e.g., fire, flood, inclement weather, epidemic or pandemic (including, without limitation, the Covid-19 outbreak), earthquake); war or act of terrorism; governmental acts, orders, restrictions (except to the extent compliance is required pursuant to the provisions of the Ground Lease titled "General Compliance Obligations of Lessee" and "Construction Period Compliance Obligations of Lessee") and any other reason where failure to perform is beyond the reasonable control of the performing party, including the action or inaction of the other party or the action or inaction of Bond Trustee and Lessor that actually and directly interferes with the performance by the performing party. Lessor actions or inactions shall refer to the actions or inactions of Lessor in its proprietary capacity as landlord or owner under the Series 2026 Ground Lease. Notwithstanding the foregoing, delays caused by the negligence and the intentional conduct and/or misconduct of the performing party (including, as to those contracts the performing party is responsible for administering, the parties to such contracts) shall not constitute Force Majeure and shall not be the basis of a Force Majeure event.

***"Foundation"*** means Collegiate Housing Foundation, an Alabama not for profit corporation.

***"GAAP (or Generally Accepted Accounting Principles)"*** means those principles of accounting set forth in pronouncements of the Financial Accounting Standards Board and its predecessors or pronouncements of the American Institute of Certified Public Accountants or those principles of accounting that have other substantial authoritative support and are applicable in the circumstances as of the date of application, as such principles are from time to time supplemented and amended.

***"Governmental Authority"*** means any and all entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, city or otherwise) whether now or hereafter in existence, with jurisdiction over the Offsite Elements or the Premises, including Lessor acting in its sovereign capacity.

***"Hazardous Substance"*** means any material or substance (a) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control law); (b) defined as a "hazardous substance" under Section 26316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (c) defined as a "hazardous material," "hazardous substance" or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95, "Hazardous Substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (d) petroleum; (e) asbestos; (f) polychlorinated biphenyls; (g) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20; (h) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251 et seq. (33 U.S.C. § 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 6903); (i) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9602); (j) defined as a "hazardous waste" pursuant to the Resource Conservation and Recovery Act. 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6901); or (k) found to be a pollutant, contaminant, hazardous waste or hazardous substance in any reported decision of a federal or California state court, or which may give rise to liability under any federal or California common law theory based on nuisance or strict liability.

***"Indenture"*** means the Indenture dated as of December 1, 2004, as amended by the First Amendment to the Indenture, dated as of May 1, 2005 and as supplemented by the First Supplemental Indenture, dated as of April 1, 2006, the Second Supplemental Indenture, dated as of July 1, 2008, the Third Supplemental Indenture, dated as of December 1, 2011, the Fourth Supplemental Indenture, dated as of March 1, 2016, the Fifth Supplemental Indenture, dated as of August 1, 2017, the Sixth Supplemental Indenture, dated as of October 1, 2021, and the Seventh Supplemental Indenture, dated as of the Effective Date, each between the Issuer and the Bond Trustee, as the same may be amended and/or supplemented from time to time in accordance with the provisions thereof.

***"Issuer"*** means California Statewide Communities Development Authority and its successors and assigns.

***"Issuer Deed of Trust"*** means the Leasehold Deed of Trust and Assignment of Rents and Leases of even date herewith by Lessee in favor of the deed of trust trustee for the benefit of the Bond Trustee, as the same may be amended and/or supplemented from time to time as permitted by the Indenture.

***"Lease Year"*** means each twelve (12) month period commencing on the first day of July of a calendar year and ending on the last day of June of the immediately succeeding calendar year; provided, however, that the first Lease Year shall be determined as follows: (a) if the Final Completion Date occurs after the beginning of the calendar year but before July 1, the first Lease Year shall commence on such date and shall include the period of time from and after such date until June 30 of the immediately succeeding calendar year, and (b) if the Final Completion Date occurs after July 1 but before the end of the calendar year, the first Lease Year shall commence on such date and shall end on June 30 of the immediately succeeding calendar year.

***"Leased Land"*** means certain real property located in the County of Orange, State of California, containing approximately 3.19 acres, described in the Ground Lease.

***"Leasehold Deed of Trust"*** means, collectively, the Issuer Deed of Trust and any other encumbrance of Lessee's Interest in the Ground Lease as security for any indebtedness Lessee or Lessee's successors and assigns may incur.

***"Leasehold Deed of Trust Trustee"*** means the holder of the indebtedness secured by a Leasehold Deed of Trust (initially, the Bond Trustee) or any agent or fiduciary therefor and any designee thereof for the purpose of taking title to Lessee's Interest in the Ground Lease.

***"Lessee"*** means CHF–IRVINE, L.L.C., an Alabama limited liability company.

***"Lessee's Interest"*** means Lessee's entire interest in (i) the Leased Land, (ii) the Series 2026 Project, (iii) the Personalty, and (iv) the Ground Lease.

***"Lessor"*** means The Regents of the University of California and its successors and assigns.

***"Loan Agreement"*** means the Loan Agreement dated as of December 1, 2004 and amended by a First Amendment to Loan Agreement, dated as of April 1, 2006 and as supplemented by a First Supplemental Loan Agreement, dated as of April 1, 2006, a Second Supplemental Loan Agreement, dated as of July 1, 2008, a Third Supplemental Loan Agreement, dated as of December 1, 2011, a Fourth Supplemental Loan Agreement, dated as of March 1, 2016, a Fifth Supplemental Loan Agreement, dated as of August 1, 2017, a Sixth Supplemental Loan Agreement, dated as of October 1, 2021, and a Seventh Supplemental Loan Agreement, dated as of the Effective Date, each between the Issuer and Lessee, as the same may be amended and/or supplemented from time to time in accordance with the provisions of the Indenture.

***"Management Agreement"*** means (i) the Amended and Restated Management Agreement (Series 2021 and Series 2026) dated as of October ___, 2026, between Lessee and the Manager, as the same may be amended and/or supplemented from time to time, and (ii) any management or similar agreement between Lessee and any successor Manager relating to the management of the Premises, as the same may be amended and/or supplemented from time to time.

***"Manager"*** means (a) initially ACC SC MANAGEMENT (California) LP, a Delaware limited partnership, or (b) thereafter, any successor management company or Person employed by Lessee, following Lessor's consent, to manage the Premises.

***"Marketing Plan"*** means a plan for such period for the advertising and other marketing efforts of the Series 2026 Project detailing, among other things, the timing, cost and media type to be utilized.

***"Master Trustee"*** means The Bank of New York Mellon Trust Company, N.A., a national banking association, as Master Trustee under the Financing Trust Agreement, its successors and assigns in such capacity.

***"Material Change"*** means substantial changes to, or deviations from, the approved Plans and Specifications or the Construction Documents including changes that:

(i) cost in excess of the Threshold Amount in any one instance;

(ii) affect building code, fire or life safety issues; or

(iii) represent a material change to the final designed elevation(s), site plan, floor plan(s) or square footage.

***"Material Change Order"*** means a change order to the Construction Documents resulting from a Material Change.

***"Minimum Repair and Replacement Fund Balance"*** means the minimum balance required to be maintained in the Repair and Replacement Fund as provided for in the "Capital and Annual Budgets; Financial Statements" provision of the Ground Lease, described below.

***"Net Proceeds"*** means, when used with respect to an insurance or condemnation award, or with respect to any other recovery on a contractual claim or a claim for damage to or for taking of property, the gross proceeds from such award or recovery less the amounts paid for expenses (including attorneys' fees and any extraordinary expenses of the Bond Trustee) incurred in the collection of such gross proceeds.

***"Occupancy Receipts"*** means all payments and fees received from Occupants pursuant to the payment provisions of any Resident Leases, plus all income received by Lessee from all other sources as a result of use of the Premises, including telecommunication income, parking fees, vending machine income or commercial use of the Premises.

***"Occupant Rental Rates"*** means the rental rates permitted to be charged to the Occupants pursuant to the "Occupant Rental Rates" provision of the Ground Lease, described below.

***"Occupants"*** means Eligible Tenants who occupy or are entitled to occupy the Series 2026 Project pursuant to a Resident Lease or comparable written agreement.

***"Offsite Elements"*** means any construction and demolition of improvements, including landscaping, hardscaping, utility lines and utility facilities, and sidewalks, which are required by the plans and specifications to be located outside of the Leased Land and are located on the property shown in Exhibit B-1 to the Ground Lease. The Offsite Elements are not part of the Series 2026 Project.

***"Operating Budget"*** means the combined annual operating budget for the Project, comprised of the Series 2011 Operating Budget, the Series 2016 Operating Budget, the Series 2017 Operating Budget, the Series 2021 Operating Budget, and the Series 2026 Operating Budget; provided, however, if the Series 2004 Project, Series 2008 Project, Series 2011 Project, Series 2017 Project, or Series 2021 Project cease to be a part of the Project, the corresponding operating budget, or portion thereof, shall be removed from the combined annual operating budget.

***"Operating Deficiency"*** means deficiencies in operating the Premises as described in the Ground Lease.

***"Operating Expenses"*** means and refers to Expenses, as defined in the Indenture.

***"Operating Plan"*** means a plan approved by Lessor for any period during the Term for the management, maintenance, leasing and marketing of the Series 2004 Project, Series 2008 Project, the Series 2011 Project, the Series 2017 Project, the Series 2021 Project, and the Series 2026 Project including a Marketing Plan and Rent Schedule for such period.

***"Permitted Encumbrances"*** has the meaning set forth in the Indenture.

***"Permitted Occupants"*** means non-freshman undergraduate students and graduate students enrolled at the Campus.

***"Person"*** means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, limited liability companies, public bodies, and similar entities, whether for profit or non-profit.

***"Personalty"*** means all furnishings, machinery, equipment, fixtures, appliances, furniture, and any other personal property of any kind or description owned by Lessee and used in connection with the Premises.

***"Plans and Specifications"*** means the detailed plans and specifications for the initial construction of the Series 2026 Project and the Offsite Elements, or detailed plans and specifications for the performance of material Work following the Final Completion, to the extent detailed plans and specifications are required, in each case fully identifying and describing all Essential Operating Systems, materials, signage, design, colors of exterior paints, and other finishes, prepared by the Contractor, as amended from time to time with the consent of Lessor, copies of which are or will be on file with Lessor.

***"Premises"*** means the Series 2026 Project and the Leased Land and any and all other improvements now or hereafter constructed or installed on the Leased Land during the Term.

***"Project"*** means collectively, the Series 2004 Project, the Series 2008 Project, the Series 2011 Project, the Series 2017 Project, the Series 2021 Project, and the Series 2026 Project and any additional project acquired, constructed, furnished, and equipped with the proceeds of Additional Bonds

***"Punch List Items"*** means and refers to minor items which do not affect occupancy or use of a portion of the Series 2026 Project and the Offsite Elements.

***"Regents Policy 5402"*** means Regents Policy 5402: Policy Generally Prohibiting Contracting for Services, approved by the Regents on November 14, 2019, amended on January 23, 2020, as further amended and replaced from time to time (https://regents.universityofcalifornia.edu/governance/policies/5402.html).

***"Rent"*** means the annual rent payable by Lessee to Lessor in accordance with the Ground Lease.

***"Repair and Replacement Deposit"*** means that amount to be deposited into the Repair and Replacement Fund pursuant to the Ground Lease.

***"Repair and Replacement Fund"*** means a fund established with the Bond Trustee pursuant to the Indenture for the purpose of funding expenditures approved the Capital Budget.

**"*Resident Leases*"** means, collectively, the occupancy agreements of no more than twelve (12) months in duration with Occupants of the Bed Accommodations in a form approved by Lessor (each, a "**Resident Lease**").

**"*Series 2004 Ground Lease*"** means a certain ground lease by and between Lessor and Lessee, dated December 1, 2004, a memorandum of which was recorded on December 14, 2004 as Instrument No. 20040011072349 of Official Records of Orange County, California, as amended as of April 1, 2006, and as further amended as of July 1, 2008, and as further amended as of December 1, 2011, and as further amended as of March 1, 2016, and as further amended as of August 1, 2017.

**"*Series 2004 Leased Land*"** means that certain real property leased to Lessee by Lessor pursuant to the Series 2004 Ground Lease.

**"*Series 2004 Project*"** means a certain student housing facility containing approximately 1,564 beds in 545 units along with associated site development and various other related amenities and improvements incidental to such facility constructed on the Series 2004 Leased Land.

**"*Series 2008 Ground Lease*"** means a certain ground lease by and between Lessor and Lessee, dated July 1, 2008, a memorandum of which was recorded on July 30, 2008 as Instrument No. 2008000361864 of Official Records of Orange County, California, as amended as of December 1, 2011, and as further amended as of March 1, 2016, and as further amended as of August 1, 2017.

**"*Series 2008 Leased Land*"** means that certain real property leased to Lessee by Lessor pursuant to the Series 2008 Ground Lease.

**"*Series 2008 Project*"** means a certain student housing facility containing approximately 2,111 beds in 720 units on the Series 2008 Leased Land and related amenities and improvements, including a community center, associated roads, parking structure, support buildings and infrastructure, and the Offsite Elements which are more particularly described in Exhibit B-3 to the Series 2008 Ground Lease.

***"Series 2011 Capital Budget"*** means the Capital Budget as defined in the Series 2011 Ground Lease.

***"Series 2011 Ground Lease"*** means a certain ground lease by and between Lessor and Lessee, dated December 1, 2011, a memorandum of which was recorded on January 11, 2012 as Instrument No. 2012000014340 of Official Records of Orange County, California, as amended as of March 1, 2016, and as further amended as of August 1, 2017.

**"*Series 2011 Leased Land*"** means that certain real property leased to Lessee by Lessor pursuant to the Series 2011 Ground Lease.

**"*Series 2011 Operating Budget*"** means an annual operating budget for the Series 2011 Project which sets forth the detail and summary of anticipated receipts and disbursements for each Lease Year and for each month within such period, and establishes allowances reflecting estimated base utility usage, to be included in Occupant Rental Rates.

**"*Series 2011 Project*"** means a certain student housing facility containing approximately 1,488 beds in 488 units on the Series 2011 Leased Land and related amenities and improvements, including a community center, associated roads, parking structure, support buildings and infrastructure, and the offsite elements which are more particularly described in Exhibit B to the Series 2011 Ground Lease.

**"*Series 2016 Capital Budget*"** means the combined Capital Budget for the Series 2004 Project and the Series 2008 Project.

**"*Series 2016 Operating Budget*"** means the combined Operating Budget for the Series 2004 Project and the Series 2008 Project.

**“*Series 2017 Capital Budget*”** means the Capital Budget as defined in the Series 2017 Ground Lease.

***“Series 2017 Ground Lease”*** means a certain ground lease by and between Lessor and Lessee, dated August 1, 2017, a memorandum of which was recorded on August 17, 2017 as Instrument No. 2017000348812 of Official Records of Orange County, California, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

**“*Series 2017 Leased Land*”** means that certain real property leased to Lessee by Lessor pursuant to the Series 2017 Ground Lease.

***“Series 2017 Operating Budget*”** means an annual operating budget for the Series 2017 Project which sets forth the detail and summary of anticipated receipts and disbursements for each Lease Year and for each month within such period, and establishes allowances reflecting estimated base utility usage, to be included in Occupant Rental Rates.

**“*Series 2017 Project*”** means a certain 410-unit student housing facility containing approximately 1,441 beds on the Series 2017 Leased Land and related amenities and improvements, which are more particularly described in Exhibit B to the Series 2017 Ground Lease.

**“*Series 2021 Ground Lease*”** means a certain ground lease by and between Lessor and Lessee, dated October 26, 2021, a memorandum of which was recorded on October 26, 2021 as Instrument No. 2021000650960 of Official Records of Orange County, California, as the same has been and may be amended from time to time in accordance with the provisions thereof and of the Indenture.

**“*Series 2021 Capital Budget*”** means the Capital Budget as defined in the Series 2021 Ground Lease.

**“*Series 2021 Leased Land*”** means that certain real property leased to Lessee by Lessor pursuant to the Series 2021 Ground Lease.

**“*Series 2021 Operating Budget*”** means the Operating Budget as defined in the Series 2021 Ground Lease.

**“*Series 2021 Project*”** means a certain 1,077-bed student housing facility with 295 student apartments on the Series 2021 Leased Land, certain related parking and other related and appurtenant facilities, which are more particularly described in Exhibit B to the Series 2021 Ground Lease.

**“*Series 2026 Bonds*”** means the California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF-Irvine, L.L.C.) Series 2026 issued pursuant to the Indenture.

**“*Series 2026 Capital Budget*”** means a budget for such period of expenditures for major repairs, renovations and/or capital improvements and/or replacement of the Personalty in, on or about the Premises, detailing the anticipated timing and estimated costs of such matters as disclosed in the most recent Condition Assessment.

**“*Series 2026 Project*”** means an approximately 1,065-bed student housing facility with 308 units, short-term and drop-off parking and other related and appurtenant facilities, which are more particularly described in Exhibit B to the Series 2026 Ground Lease.

**“*Series 2026 Operating Budget*”** means the operating budget for the Series 2026 Project, as approved by Lessor from time to time, as part of the Series 2026 Annual Budget in accordance with the Ground Lease.

**“*Shared Facilities*”** means certain amenities and improvements constructed as part of the Series 2017 Project, including without limitation a parking facility, maintenance shop, fitness center, leasing offices, student study and meeting spaces, mail/package rooms, and data infrastructure, intended to be operated in support of the Series 2017 Project, the Series 2021 Project, and the Series 2026 Project.

***"State"*** means the State of California.

***"Substantial Completion"*** means (a) as to any portion of the buildings and facilities comprising the Series 2026 Project, satisfaction of each of the following conditions: (i) delivery by Lessee of a certificate of Substantial Completion in a customary form, duly executed by the Architect, certifying completion thereof (other than minor Punch List Items which do not affect occupancy or use of any one or more of the buildings ), and (ii) the issuance of a Temporary Certificate of Occupancy by the Approving Agency certifying that such portion of the Series 2026 Project is safe, sufficient, suitable, and ready for immediate occupancy for the use intended, and (b) as to the Offsite Elements, completion that is safe and sufficient for the intended use and acceptance by Lessor or the applicable Governmental Authority or the applicable utility provider.

***"Supplemental Reserve Deposit"*** means that amount to be deposited into the Repair and Replacement Fund as determined to be necessary to maintain the Minimum Reserve Balance pursuant to the Ground Lease.

***"Surplus Fund"*** means the fund of that name created in accordance with the provisions of the Indenture.

***"Term"*** means the period set forth in the "Term" provision of the Ground Lease, described below.

***"Termination Date"*** means the date on which the Term of the Ground Lease ends by termination or expiration of the Ground Lease.

***"Threshold Amount"*** means the sum of One Hundred Thousand Dollars ($100,000.00), which amount shall be increased by Fifteen Thousand Dollars ($15,000.00) every five years.

***"UCI"*** means the University of California, Irvine.

***"Work"*** means Lessee's planning, design, or construction activity with respect to (i) the completion of the Offsite Elements, (ii) the original construction, permitted future expansions, changes, alterations and renovations of the Series 2026 Project, and (iii) in connection with any of the foregoing activities, all applicable site preparation, landscaping, installation of utilities, street construction or improvement and grading or filling.

**Lease**

In consideration of the covenants and agreements to be performed and observed by Lessee, Lessor leases to Lessee, and Lessee hires from Lessor, the Leased Land.

**Reservation of Oil, Gas and Mineral Rights**

The right to prospect for, drill for, produce, and take any oil, gas, or other hydrocarbon or mineral substances and accompanying fluids, including all geothermal resources from the Leased Land, including the rights to slant drill, maintain subsurface pressures, and utilize subsurface storage space for natural substances is excluded from the Series 2026 Ground Lease and Lessor reserves all such rights.

**Condition of Leased Land**

Lessee accepts the Leased Land "as is" without representation or warranty from Lessor, except as expressly set forth in the Ground Lease.

**Term**

Except as specifically otherwise provided therein the term of the Ground Lease ("Term") will commence on the Effective Date and terminate at the earlier of (i) 12:00 midnight of the 40th anniversary of the Effective Date, or (ii) 12:00 midnight of the day preceding the first day of the month following the final redemption or defeasance of the Bonds and satisfaction of any and all amounts due under the Loan Agreement or the Indenture, unless the Ground Lease is sooner terminated pursuant to the "Events of Default and Remedies" provision of the Ground Lease, described below. The Ground Lease will expire without further notice at expiration of the Term, and no holding over will be permitted. Any holding over by Lessee after expiration will not constitute a renewal or extension nor will it give Lessee any rights in or to the Premises or any part thereof. If, on the date the Ground Lease would otherwise terminate under the "Term" provision of the Ground Lease, described herein, but not under the "Remedies" provision of the Ground Lease, described below, Rent remains due under the Ground Lease, the Lease will not then terminate, but will remain in full force and effect until the day following the date upon which Lessor will by notice to Lessee elect to terminate the Ground Lease or all such Rent owed to Lessor has been fully paid. Notwithstanding the preceding sentence, in no event will the Term extend more than fifty (50) years after the Effective Date.

**Lease Consideration**

*Construction Obligation*. Lessee shall cause the Developer to construct the Series 2026 Project and Offsite Elements strictly in accordance with the terms and conditions set forth in the Ground Lease and in the Construction Documents.

*University Costs for Pre-development and Development Activities*. Lessee shall pay to Lessor as reimbursement to the Campus for its pre-development and development costs with respect to the Series 2026 Project the following amounts: "UCI One-Time Soft Costs" equal to $615,000.00, a "CEQA & Environmental Mitigation Fee" equal to $150,000.00, and "Building Permits & Fees" equal to $765,000.00. The UCI One-Time Soft Costs and the Building Permits & Fees shall be paid on the Effective Date from proceeds of the Series 2026 Bonds, and the CEQA & Environmental Mitigation Fee shall be paid from the Surplus Fund upon requisition in accordance with the applicable provisions of the Indenture.

*Payment of Rent and Additional Rent*. Lessee will pay Rent and Additional Rent to Lessor as set forth in the Ground Lease, including the "Distributions of Surplus Fund Balances" provision of the Ground Lease, described below, and the Indenture, including, without limitation, all payments required to be made to Lessor from the Surplus Fund.

Lessee shall pay Rent to Lessor on an annual basis. The initial Rent shall be $171,757.00 per annum and shall commence upon the Substantial Completion Date and shall be paid from the Surplus Fund. Commencing on August 9, 2033, Rent shall be increased by the Consumer Price Index Change, and shall be so adjusted each subsequent fifth (5th) anniversary of such date; provided, however, that any Rent increase as a result of the Consumer Price Index Change shall not exceed twenty-five percent (25%) for any five (5)-year period. On August 9, 2038, August 9, 2048, and August 9, 2058, Rent shall be the greater of (a) the fair market value of the Leased Land, as determined in the Ground Lease multiplied by eight one-hundredths (0.08) so as to provide Lessor with an eight percent (8.00%) annual return on the fair market value of the Leased Land; or (b) the Rent resulting from the rent escalation as described above. On or before one hundred twenty (120) days prior to each such anniversary, Lessor and Lessee shall attempt to agree upon the then fair market value of the Leased Land. For that purpose, the fair market value shall be determined on the basis of the use of the Leased Land for its then current use, and subject to the limitations on Occupant Rental Rates set forth in provision in the Ground Lease titled "Occupant Rental Rates." If no agreement is reached within thirty (30) days, then either Party may elect to have the dispute determined as set forth in provision in the Ground Lease titled "Dispute Resolution."

**Uses and Restrictions**

*Construction Obligations*. Lessee is authorized from the Effective Date until Final Completion Date to construct the Series 2026 Project and Offsite Elements in accordance with the terms and conditions set forth in the Ground Lease Articles titled "Permitting and Inspection by the Approving Agency," "Construction of Series 2026 Project," and "General Conditions of the Work"

*Balance of Term*. The Premises will thereafter, except as otherwise permitted in the Ground Lease, , be used by Lessee only to lease space and provide support, amenity, parking and other site improvements necessary for full functionality of the Premises to Permitted Occupants and other Eligible Tenants permitted under the Ground Lease and to operate the common areas and facilities incidental to the Premises for the use and enjoyment of such occupants.

*Permitted Occupants.* Except as provided below, Lessee will lease beds in the Series 2026 Project to the Permitted Occupants. Lessee may adjust the mix of students following the prior written consent of Lessor which consent may be granted or withheld in Lessor's sole discretion. Lessee will, upon the written instruction of Lessor, adjust the mix of students.

(a) If at any time during the Term Lessee is unable to lease all of the beds in the Series 2026 Project to Permitted Occupants, Lessee may seek Lessor's consent, on a case by case basis, to lease to Eligible Tenants other than Permitted Occupants. Lessor will not unreasonably withhold its consent provided, however, that it will be reasonable for Lessor to (i) require Lessee to lease beds to such other Eligible Tenants prior to leasing units and beds to other persons, and (ii) withhold consent to any Resident Lease with a person other than a Permitted Occupant expiring later than the August 31st following the commencement date of such lease. In no event shall Lessee permit or be required to permit any occupancy of the Series 2026 Project that would jeopardize the tax-exempt status of the Bonds or the tax-exempt status of Lessee or the Foundation.

(b) Lessee may permit the use of the community center in the Series 2026 Project for meetings, classroom instruction, and other events, provided each such event is Campus-related and primarily for the benefit of the UCI campus community.

*Environmental Requirements.* Lessee shall not use or store, nor permit the use or storage of any Hazardous Substance on, under, or about the Series 2026 Project and/or the Leased Land in violation of any Applicable Law, including any storage, handling, release, emission, discharge, generation, abatement, disposition or transportation of any Hazardous Substance from, on or otherwise relating to the Premises. Lessee shall, at its own cost and expense, comply, and cause all Occupants and tenants of the Series 2026 Project, licensees and/or concessionaires to comply, with all Applicable Laws relating to any Hazardous Substance, including obtaining and filing all applicable notices, permits, licenses and similar authorizations. Lessee shall establish and maintain a policy to assure and monitor continued compliance by Lessee and all others occupying space in the Series 2026 Project and/or Leased Land with all such Applicable Laws. Notwithstanding the foregoing, Lessee may, subject to Applicable Laws, use or store materials or substances (including office and cleaning supplies) normally associated with the operation of a multi-unit residential facility, so long as Lessee uses or stores such materials or substances in quantities customary for such use.

*Environmental Remediation and Indemnification*. If during the Term Lessee discovers Hazardous Substances on the Premises in violation of any applicable law, regulation, code or ordinance, it will immediately report the discovery in writing to Lessor, and the parties will meet and confer in an attempt to resolve the problem. If Hazardous Substances were present in the soil of the Leased Land as of the Effective Date, Lessor will undertake, at Lessor's expense, to remediate the presence of Hazardous Substances in compliance with Applicable Laws to the extent necessary to permit construction of the Improvements with respect to the Series 2026 Project and use of the Premises for the uses permitted under the Ground Lease to proceed. If Hazardous Substances are released onto the Premises in violation of any applicable law, regulation, code or ordinance during the Term as the result of Lessor's negligent or willful acts, Lessor will remediate the presence of such Hazardous Substances in accordance with the standards in the preceding sentence. If the Lessor fails to take reasonable measures to remediate such Hazardous Substances, such failure will constitute a default.

Lessee shall indemnify, defend (with counsel reasonably acceptable to Lessor, but only to the extent Lessee is able to select or approve the insurer's counsel), protect and hold Indemnitees harmless from and against any and all Claims arising directly or indirectly from any breach of Sections of the Ground Lease titled Environmental Requirements. The foregoing indemnity includes any required remediation or disposal of any Hazardous Substance, and reasonable consultants' fees and charges, attorneys' fees and charges, investigation costs and expenses and other similar costs and expenses incurred by any of the Indemnitees. The obligation of Lessee under this section shall survive the expiration or earlier termination of the Ground Lease.

*Shared Facilities*. Throughout the Term of the Series 2026 Ground Lease (including, for avoidance of doubt, at any time that the Series 2017 Ground Lease or the Series 2021 Ground Lease is no longer in effect), the Shared Facilities shall be operated in support of the Series 2017 Project, the Series 2021 Project, and the Series 2026 Project and Lessee shall provide the Permitted Occupants with shared access to the Shared Facilities for their use benefit in the same manner and to the same extent as they are provided for the use and benefit of the occupants of the Series 2017 Project and the Series 2021 Project.

**Occupant Rental Rates**

*Initial Rent*. Lessee shall initially charge Occupants the monthly Occupant Rental Rates set forth in Exhibit F of the Series 2026 Ground Lease, the Payment Schedule. Lessor and Lessee acknowledge and agree that Occupant Rental Rates are intended (but not required) to be targeted to thirty percent (30%) below market rent for similar properties within a one and a half (1.5) mile radius. Without the prior written consent of Lessor, which may be withheld in Lessor's sole and absolute discretion, Lessee shall not charge Occupants any amounts in addition to the Occupant Rental Rates, except for security deposits, late charges, interest, reimbursement for damages and utility usage, and Additional Occupant Payment, if any, determined pursuant to the Ground Lease. Occupant Rental Rates shall be subject to adjustment pursuant to Sections of the Ground Lease titled Lessor Adjustment, Reevaluation Adjustment, Arbitration of Rates and Alternate Rates. In those years in which both the adjustment set forth in the Section concerning Lessor Adjustment and Reevaluation, the rates determined pursuant to the Reevaluation Adjustment shall be considered the Occupant Rental Rates; provided, however, at any time in which Occupant Rental Rates are determined pursuant to the Section concerning Alternate Rates, such determination of Occupant Rental Rates shall govern. Occupant Rental Rates that have been adjusted as provided herein shall, from the time of adjustment, be deemed to be Occupant Rental Rates for purposes of subsequent adjustments. In no event shall the Occupant Rental Rates be adjusted to amounts insufficient to pay all debt service, Operating Expenses and perform all of Lessee's obligations under the Loan Agreement, and produce revenues meeting all requirements of the Bond Documents.

*Lessor Adjustment*. Lessor may, from time to time, in the exercise of Lessor's sole discretion, adjust the Occupant Rental Rates, provided, however, (i) unless otherwise agreed in writing by the Parties or otherwise required pursuant to Reevaluation Adjustment, such adjustment shall not occur more frequently than annually, and (ii) Lessor shall notify Lessee and Manager in writing of the applicable Occupant Rental Rates for the following academic year no later than January 10th of each year. Notwithstanding the foregoing, in no event shall the Occupant Rental Rates be adjusted under this provision to amounts insufficient to pay all Operating Expenses and produce revenues meeting all requirements of the Bond Documents.

*Reevaluation Adjustment*. Not less than one hundred twenty (120) days prior to September 1 of 2033, 2038, 2043, 2048, 2053, 2058, 2063, 2068, and 2073, Lessor and Lessee shall jointly evaluate and reestablish, if necessary, the Occupant Rental Rates to amounts that, to the maximum extent achievable, will not exceed seventy percent (70%) of the rental rates for comparable off-campus apartments. Notwithstanding the foregoing, in no event shall the Occupant Rental Rates be adjusted under this provision to amounts insufficient to pay all Operating Expenses and produce revenues meeting all requirements of the Bond Documents.

*Arbitration of Rates*. If Lessee believes the Occupant Rental Rates determined by Lessor are unreasonable, Lessee may submit the determination of Occupant Rental Rates as a Dispute under Ground Lease Article titled Dispute Resolution, with directions to the arbitrator(s) to provide reasonable estimates of each such Housing Rate. If Lessee submits the determination of such Occupant Rental Rates for Dispute resolution under Ground Lease Article titled Dispute Resolution, Lessee shall set Occupant Rental Rates for the Lease Year commencing the following July 1st based upon the Occupant Rental Rates determined by Lessor, and the Occupant Rental Rates determined by Dispute resolution under Ground Lease Article titled Dispute Resolution shall govern Occupant Rental Rates for the Lease Years thereafter.

*Additional Occupant Rent*. From and after the end of the first full Lease Year, the following provisions shall apply if the annual Operating Budget prepared in accordance with the Ground Lease does not result in a Fixed Charges Coverage Ratio equal to or greater than 1.20.

Notwithstanding any other provisions of Ground Lease Article titled Occupant Rental Rates, to the contrary, Lessee shall re-budget and use all reasonable efforts to reduce the Operating Expenses for the Premises wherever possible, without impacting necessary maintenance and services, in order to result in a Fixed Charges Coverage Ratio equal to or greater than 1.20.

If, after the re-budgeting, the Operating Budget does not result in a Fixed Charges Coverage Ratio equal to or greater than 1.20 then, notwithstanding the Occupant Rental Rates Article of the Ground Lease, Lessee may charge Occupants additional rent in the amount required for the annual Operating Budget the Additional Occupant Rent.

The necessity for and amount of Additional Occupant Rent Charged Occupants under this section shall be determined each Lease Year. In no event shall Additional Occupant Rent be merged into Occupant Rental Rates, and Occupant Rental Rates shall be computed under the Occupant Rental Rates Article of the Ground Lease without respect to the necessity for, or amount of, Additional Occupant Rent.

*Alternate Rates*. Notwithstanding any other provisions of Ground Lease Article titled Occupant Rental Rates to the contrary, Lessee may charge Occupants, approved by Lessor under the provisions of the Permitted Occupant Section of the Ground Lease, rates which are different from the Occupant Rental Rates then in effect; provided such rates shall be subject to Lessor's prior written approval, which shall not be unreasonably withheld.

**Financing of Project**

*Lessee's Bond Financing*. Lessee shall, at its own cost and expense, obtain all financing required for the design, acquisition, construction, furnishing, and equipping and operation of the Series 2026 Project and the Offsite Elements, including the issuance of the Bonds in connection therewith. Lessor has reviewed the Bond Documents and, as of the Effective Date, shall provide to Lessee and the Bond Trustee Lessor's certificate confirming its review of the Bond Documents and consenting to the financing of the Series 2026 Project and the Offsite Elements on the terms set forth therein. Except for the financing contemplated by the Bond Documents, all financing which encumbers Lessee's Interest in the Series 2026 Ground Lease, or any amendment, renewal, refinancing, or refunding of any such financing, during the Term of the Series 2026 Ground Lease shall be subject to the prior approval of Lessor, which approval Lessor may grant or withhold at its sole discretion.

*Lessor's Financing Trust Covenants*. Pursuant to the Financing Trust Agreement, Lessor covenants that:

(a) It has approved the use of the Financing Trust Agreement to provide additional security for the Bonds;

(b) Payments of Rent are expressly subordinate to (i) the full and timely payment of Annual Debt Service on all Series of Bonds as the same becomes due and payable pursuant to the related Indentures; and (ii) the use of revenues and other funds of the Lessee to replenish the Liquidity Account and all subaccounts therein in accordance with the terms of the Financing Trust Agreement, the Bond Indenture and the Loan Agreement; and

(c) The Series 2026 Ground Lease is a "Ground Lease" under the Financing Trust Agreement and satisfies all of the requirements for a Ground Lease set forth in Section 2.1 of the Financing Trust Agreement and is specifically identified in the Eighth Supplemental Financing Trust Agreement.

*Additional Bonds*. Upon issuance of Additional Bonds in accordance with the Indenture the Lessor and Lessee shall enter into an amendment to the Ground Lease to provide for such Additional Bonds as may be appropriate, including such provisions as shall be necessary to include any facilities financed with such Additional Bonds within the Ground Lease, including, without limitation, the budget, financial reporting requirements, maintenance, operation and management provisions hereof.

**Distributions of Surplus Fund Balances**

*Distributions of Surplus Fund Balances.* Subject to the Ground Lease and Section 511(b) of the Indenture, Lessee will annually withdraw, or cause the Bond Trustee to withdraw the amounts in the Surplus Fund to pay amounts owed to Lessor under the Ground Lease, which will be distributed in an order agreed upon by Lessor and in compliance with the Indenture.

*Distributions from Cash Flow in Initial Lease Years*. The Rent and the Repair and Replacement Deposit shall be paid in equal monthly installments commencing with the first full month following Final Completion of the Series 2026 Project, in accordance with the Indenture.

*Distributions from Cash Flow in Final Lease Year***.** The Rent and the Repair and Replacement Deposit shall be paid in accordance with the Loan Agreement. Distributions from the Surplus Fund shall be paid in accordance with Section 511(b) of the Indenture. Lessee shall pay, or cause to be paid, the amounts set forth in this section within one hundred eighty (180) days following the Termination Date.

**Taxes and Assessments**

*Taxes and Assessments*. The parties intend and expect that the leasehold estate of Lessee created by the Ground Lease and the Premises will be eligible for exemption, under California law, from ad valorem property taxes and assessments ("Property Taxes"). Nonetheless, neither Lessee nor Lessor makes any representation or warranty regarding Property Taxes, and Lessor will bear no responsibility for the assessment thereof.

*Maintenance of Exemption*. Lessee will diligently pursue and attempt to maintain exemption of the Premises from Property Taxes. Provided Lessor incurs no liability, cost, expense, or fees in doing so, Lessor will cooperate with Lessee in pursuing and maintaining such exemption. Nothing contained in Ground Lease is intended to change the degree to which the interest or estate of Lessee created by the Ground Lease is subject to Property Taxes; however, to the extent such Property Taxes are assessed, Lessee and Lessor will have the responsibilities and rights set forth in the balance of the "Maintenance of Exemption" provision of the Ground Lease, described therein.

*Tax Obligations*. In the absence of an applicable exemption, Lessee will pay prior to the delinquency date thereof all Property Taxes and governmental fees and charges, whether general or special, or ordinary or extraordinary (collectively, "Taxes"), which may be levied, assessed, charged or imposed, or may become a lien or charge upon the Premises or any part or parts thereof, or upon Lessee's Interest.

*Assessment Obligations*. Specifically, and without in any way limiting the generality of the foregoing, Lessee will pay, before they become delinquent, any and all special assessments or levies or charges made by any municipal or political subdivision for local improvements ("Assessments"), and as required by the act and proceedings under which any such Assessments or levies or charges are made.

*Tax Indemnity*. Lessee shall defend (with counsel reasonably acceptable to Lessor), indemnify and hold Lessor harmless from and against the payment of all Taxes and Assessments to the extent of Lessee's Interest in the Premises.

**Utility Services**

Lessee will apply for, obtain and pay for, and be solely responsible for, all utilities required, used, or consumed on the Premises, including, but not limited to water (including water for domestic uses and for irrigation and fire protection), electricity, hi-speed internet, cable TV, sewer service, garbage collection services, or any similar service (herein sometimes collectively referred to as "Utility Services").

**Option to Purchase**

As further consideration for the Lessor's execution of the Ground Lease, Lessee grants to Lessor an exclusive option ("Option") which will be binding on successors and assigns of Lessee, to purchase Lessee's Interest on the following terms and conditions:

*Exercise of Option*. Beginning one hundred twenty (120) days prior to the commencement of the tenth (10) year following the Effective Date, Lessor may give notice to Lessee of Lessor's exercise of its option to purchase Lessee's Interest, at the price as set forth in (c), below. The closing of such purchase will be not sooner than one hundred twenty (120) nor later than one hundred eighty (180) days after the date of delivery of the notice of exercise to Lessee. Following receipt of such notice, Lessee will not be permitted to convey, lien, or otherwise encumber Lessee's Interest or any portion thereof, and will not permit the conveyance, lien or encumbrance of Lessee's Interest, until the date of closing provided in the "Exercise of Option" provision of the Ground Lease, described above. Any attempted lien, conveyance, or encumbrance of Lessee's Interest prohibited by this provision will be null and void. Lessor may exercise the foregoing option granted only if it simultaneously exercises the similar option granted pursuant to the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, the Series 2021 Ground Lease, and the Series 2026 Ground Lease.

*Subsequent Notices*. Notice given at any of the times specified in Paragraph (a) above will not preclude Lessor's right to again give notice in any later period during which notice is otherwise permitted to be given under such provisions.

*Purchase Price*. If the option to purchase is exercised, the combined purchase prices of Lessee's Interest under the Series 2004 Ground Lease, the Series 2008 Ground Lease, the Series 2011 Ground Lease, the Series 2017 Ground Lease, the Series 2021 Ground Lease, and the Series 2026 Ground Lease, will be paid and will include all amounts due under the Bond Documents including the principal balance then outstanding of all sums secured by any Leasehold Deed of Trust then in effect, plus costs of defeasance or any premium payable on such indebtedness, plus all interest accrued or to accrue on such indebtedness through the date of payment of such indebtedness. This provision for Lessor's option will not be in derogation of Lessor's power of eminent domain.

*Closing*. Lessor will designate, in its notice of exercise, the date of closing for the purchase of Lessee's Interest (the "Closing"), which will occur within the period described in the "Exercise of Option" provision of the Ground Lease, described above. At Closing, upon payment of the purchase price to the Bond Trustee and the amounts payable by Lessor pursuant to the "Closing Costs" provision of the Ground Lease, title to the Project will be conveyed to Lessor by an Assignment of Lessee's Interest and a grant deed each in recordable form executed by Lessee, and a bill of sale as to all personal property included in Lessee's Interest. Lessee will convey its interest in the Resident Leases by an assignment of lease reasonably satisfactory to Lessor and Lessee, and its interest in all other assets associated with the Project as required by the Ground Lease.

*Title*. The Project will be conveyed free and clear of all loans, and will be subject only to the Resident Leases, to Permitted Encumbrances, and to all matters occurring subsequent to the date of the Ground Lease that would be disclosed by an accurate survey and inspection of the Premises.

**Right of First Refusal**

Lessor shall have a recurring right of first refusal ("Right of Refusal"), which will be binding on all successors and assigns, with respect to the sale or assignment of any portion of Lessee's Interest, as follows:

*Exercise of Right of First Refusal.* If at any time Lessee receives an unsolicited bona fide offer to purchase Lessee's Interest which Lessee wishes to pursue ("Purchase Offer"), Lessee shall provide Lessor with written notice ("Pending Sale Notice") specifying the purchase price and other terms set forth in such Purchase Offer ("Available Terms"). If Lessor elects to pursue the exercise of the Right of Refusal, then within thirty (30) days following receipt of a Pending Sale Notice, Lessor shall deliver written notice ("Purchase Election Notice") and the Parties shall thereafter proceed with the transfer of Lessee's Interest to Lessor in accordance with the terms of Section 9.3 below. If Lessor rejects the Available Terms set forth in said Pending Sale Notice or Lessor does not respond to a Pending Sale Notice within the thirty (30) day period specified above, then, subject to Lessor's approval rights over any assignee of Lessee's Interest set forth in in the Series 2026 Ground Lease, Lessee may proceed with the sale of Lessee's Interest as specified in the Pending Sale Notice.

*Modified Terms Notice*. Notwithstanding anything to the contrary herein, Lessee shall not be permitted to sell Lessee's Interest at a price and on terms which are less favorable to Lessee than the Available Terms, unless Lessee has first given Lessor written notice ("Modified Terms Notice") of Lessee's intention and provided Lessor with the opportunity to agree to purchase Lessee's Interest upon such modified terms (herein, the "Modified Terms Offer") for a period of fifteen (15) days following the date of delivery of such Modified Terms Notice. If Lessor accepts the Modified Terms Offer, then Lessor shall deliver a Purchase Election Notice to Lessee stating Lessor's acceptance of the Modified Terms Offer within such fifteen (15) day period and the Parties shall thereafter proceed with the transfer of Lessee's Interest to Lessor in accordance with the applicable provisions of the "Closing Cost" provision of the Ground Lease below. If Lessor rejects the offer set forth in said Modified Terms Notice or does not respond to such Modified Terms Notice within such fifteen (15) day period, then Lessee may proceed to sell Lessee's Interest upon the Modified Terms offered to Lessor pursuant to such Modified Terms Notice; provided, however, Lessee shall not be permitted to sell Lessee's Interest at a purchase price and on terms which are less favorable to Lessee than the Modified Terms Offer without once again providing Lessor with a Modified Terms Notice specifying such new modified terms and proceeding to offer Lessee's Interest for sale to Lessor pursuant to the preceding sentence. For the purposes of this section, (x) to the extent that the subject offer includes taxable seller carry back financing, Lessor shall receive a credit against the purchase price commensurate with the tax exempt nature of its debt service payments; and (y) as transfer and other documentary taxes will not be payable in a transfer to Lessor due to Lessor's status as a public agency, Lessor shall receive a credit against the purchase price in an amount equal to the transfer and other documentary taxes which would otherwise be payable, and the respective credits against the purchase price to be afforded Lessor shall be taken into consideration in determining the requirement for Lessee's delivery of a Modified Terms Notice to Lessor and the Modified Terms Offer to be set forth in such Modified Terms Notice.

*Closing*. Lessor will designate, in its notice of exercise, the date of the Closing. At Closing, upon payment of the purchase price to the Bond Trustee and the amounts payable by Lessor pursuant to the "Closing Costs" provision of the Ground Lease, title to the Series 2026 Project will be conveyed to Lessor by an Assignment of Lessee's Interest and a grant deed, each in recordable form executed by Lessee, and a bill of sale as to all personal property included in Lessee's Interest. Lessee will convey its interest in the Resident Leases by an assignment of lease reasonably satisfactory to Lessor and Lessee, and its interest in all other assets associated with the Series 2026 Project as required by the Ground Lease.

*Title*. The Series 2026 Project will be conveyed free and clear of all loans, and will be subject only to the Resident Leases, to Permitted Encumbrances, and to all matters occurring subsequent to the date of the Ground Lease that would be disclosed by an accurate survey and inspection of the Premises.

**Permitting and Inspection by the Approving Agency**

*Jurisdiction*. Lessee and its Agents shall comply with and give notices required by any Applicable Law bearing on the Work on the Premises whether under jurisdiction of the building officials for the Campus, or other Governmental Authorities. The Parties acknowledge and agree that Lessor holds separate functions under the Ground Lease (a) as landlord or owner, in its proprietary capacity, under the Lease, and (b) as the Approving Agency, as building official with full power and authority to authorize, approve, permit and inspect the design and construction of buildings and structures, including activities related to design review, building permit issuance, construction inspections, permit sign-off, final inspections, and issuance of Certificates of Occupancy.

*The Approving Agency*. The Campus officials responsible for compliance and enforcement of Campus facilities, as Approving Agency, are the Campus Certified Building Official and Campus Designated State Fire Marshal who provide compliance oversight and enforcement of all Applicable Laws for building and codes and standards (including California Code of Regulations, Title 24) as well as fire and life safety under delegated authority from the California State Fire Marshal. Official acts as the Approving Agency issued or taken under the authority of the Campus Certified Building Official or the Campus Designated State Fire Marshal shall be made under each official's signature authority, or such other Campus official designated by written notice from time to time under the Ground Lease Section titled Notices. Lessee shall pay or cause its Agents to pay all reasonable and customary fees and costs for performing the services provided for in Ground Lease Article titled Permitting and Inspection by the Approving Agency.

*Permitting*. Lessee accepts the rules governing the permitting of the Work and will file, or cause its Agents to file, all submittals reasonably requested by the Approving Agency required in order to ensure compliance of the Work. Lessee agrees to abide by the jurisdiction of the Approving Agency throughout the Term and shall perform, or cause its Agents to perform, all Work and construct, or cause its Agents to construct, any improvements or alterations in conformance with the approved Plans and Specifications, Construction Documents and Applicable Law. The Approving Agency shall review the Plans and Specifications and any other documents required for approval of, and permit issuance for, the Work at key stages of their development. If the Approving Agency reasonably believes that any submittals do not conform to Applicable Law, the Approving Agency will promptly advise Lessee and its Agents in writing of any questions or objections. In such event, Lessee or its Agents shall make subsequent submissions in order to address such questions or reasonable objections the Approving Agency may have.

*Access for Inspections*. The Approving Agency shall, at all times during which construction or any activities are occurring on the Premises, be afforded reasonable access to the Premises for the purpose of observing and inspecting the Work, and observing any testing or inspections performed by other Governmental Authorities, independent inspection firms and testing laboratories hired by Lessee or its Agents. The Approving Agency shall at all times have the right to review and inspect all Work to assess conformance with all Applicable Laws and the approved Construction Documents. Such review and inspection will not relieve Lessee from the obligation during the Term to be in full compliance with all Applicable Laws and in substantial compliance with the Construction Documents and the Ground Lease.

*Inspections*. Upon receipt of verification by the Architect that the Work or improvements have been completed, the Approving Agency shall conduct an inspection and may, to the extent applicable to the subject Work, either issue a Temporary Certificate of Occupancy subject to completion of minor items which do not affect occupancy or use of a portion of the Series 2026 Project and the Offsite Elements or shall advise Lessee of any deficiencies or additional Work that Approving Agency determines must be completed to achieve full conformance with the permitted final approved Plans and Specifications (if required) and all Applicable Laws and regulations.

*Final Inspections*. Upon receipt of verification by the Architect that the Work or improvements, or Punch List Items, have been completed, as applicable, the Approving Agency shall conduct a final inspection and either issue a Certificate of Occupancy or advise Lessee of any deficiencies or additional Work that the Approving Agency determines must be completed to achieve conformance with the permitted final approved Plans and Specifications (if required) and all Applicable Laws and regulations. When the Approving Agency determines that the Work has been completed in accordance with all Applicable Laws and regulations, Approving Agency shall issue a duly executed Certificate of Occupancy with respect to the applicable buildings within the Series 2026 Project.

*Disputes*. In the event of any Dispute regarding the Approving Agency's approval of any previously submitted Plans and Specifications or other acts and omissions, the Approving Agency's decision shall be final and binding and not subject to the Dispute resolution process set forth in Ground Lease Article titled Dispute Resolution.

*Disclaimer*. The Approving Agency's reviews, comments, approvals or disapprovals of any submittals made by Lessee or its Agents, including submittals made prior to execution of the Lease, shall not constitute an opinion or warranty by Lessor or the Approving Agency of their adequacy, shall not make Lessor or the Approving Agency responsible for the Work or its design, and shall not constitute a waiver of any claim by Lessor or the Approving Agency for any defect or deficiency with respect to the Plans and Specifications or any portion of the Work.

**Compliance by Lessee with Applicable Laws and Ordinances**

*General Compliance Obligations of Lessee*. At all times during the Term of the Ground Lease, Lessee shall, and shall cause its Agents to, conform to, obey and comply with all Applicable Laws, and all policies, procedures, and regulations promulgated by Lessor, as applied in a manner consistent with other owner or leased property of Lessor, pertaining to, the use of Lessor's owned or leased property generally and to activities taking place on the Campus, including, without limitation, those relating to health, safety, and traffic enforcement, existing at any time during the Term of the Ground Lease; provided any such policies, procedures, rules, and/or regulations are not applied or enforced in a manner that discriminates against or results in a prejudice to Lessee. Such requirements include, but are not limited to, the Seismic Safety Policy, the Policy on Sustainable Practices (to the extent relevant to the Series 2026 Project), the Facilities Manual Requirements, Sections 903-10, 903-14, 903-23, 904, and 905 of the Administrative Procedures (to the extent relevant to the Series 2026 Project), Regents Policy 5402, and other policies as applicable. Each of the Seismic Safety Policy, the Policy on Sustainable Practices (to the extent relevant to the Series 2026 Project), the Facilities Manual Requirements, Sections 903-10, 903-14, 903-23, 904, and 905 of the Administrative Procedures (to the extent relevant to the Series 2026 Project), Regents Policy 5402, and other policies may be amended, supplemented, updated or replaced from time to time provided Lessee receives actual notice of such amendments, supplements, updates or replacements and for which Lessor approves an adjustment to the Series 2026 Annual Budget, if reasonably necessary for compliance. Lessee, in its own name and at its sole cost and expense, has the right to contest the validity of any law, ordinance, rule, regulation, or requirement contemplated under Ground Lease Article titled Compliance by Lessee with Applicable Laws and Ordinances with Lessor's consent, which shall not be unreasonably withheld.

*Nuisance*. Lessee shall not use, suffer or permit the Premises, or any part thereof to be used for hazardous purposes in violation of Applicable Laws or in any manner that would constitute a legal nuisance or an unreasonable annoyance. Lessee shall promptly take all measures necessary and proper to remove or otherwise abate any conditions or circumstances that constitute or, with the passage of time, could constitute a nuisance. In the event, at any time during the Term of the Ground Lease, or thereafter, as the result of Lessee's acts or omissions during the Term of the

Ground Lease, any addition, alteration, change, or repair or other Work of any nature, structural or otherwise, be lawfully required or ordered by an applicable Governmental Authority or become necessary on account of any Applicable Law then in effect, or on account of any other reason with respect to the Premises, the entire expense thereof, regardless of when the same shall be incurred or become due, shall be paid by Lessee and, in no event, shall Lessor be called upon to contribute thereto or do or pay for any Work of any nature whatsoever on or relating to the Premises. Except to the extent Lessor or any Lessor Affiliate is performing any services in compliance with the terms of the Ground Lease or a sub-management agreement, and to the extent achievable in compliance with the Operating Budget, Lessee further agrees at all times during the Term of the Ground Lease, at its sole cost and expense, to do all things necessary to maintain the Series 2026 Project in a good, clean and sanitary order, and in a First Class Condition.

*Construction Period Compliance Obligations of Lessee*. Notwithstanding the above, during the period from the Effective Date until the Final Completion Date, Lessee shall comply and shall cause Developer to comply only with the Construction Documents, and certain requirements, policies and procedures of the Lessor and Campus, as attached to the Construction Contract and Architect's Agreement, and all Applicable Laws. Nothing in this section shall limit Lessor's (i) right to exercise its police powers and impose reasonable policies, procedures, and regulations to ensure the public health, safety, order, and welfare on the Premises and the Campus, or (ii) authority and obligation to act in its sovereign capacity as the Approving Agency.

**Environmental Impact Mitigation Measures**

Lessee represents and warrants that, with respect to the environmental impact mitigation measures identified in Exhibit C to Ground Lease as the responsibility of Lessee, it will (i) cause the Developer to incorporate such measures in the construction of the Series 2026 Project and the Offsite Elements, and (ii) Lessee shall perform or cause the Manager to perform or comply with such measures in the operation of the Premises during the Term of the Ground Lease.

**Quiet Enjoyment**

Lessor covenants and agrees that, throughout the Term of the Series 2026 Ground Lease, Lessee may peaceably and quietly enjoy the Leased Land, subject, however, to any applicable use restrictions, the Permitted Encumbrances, and Lessee's fulfillment of the conditions, covenants, warranties and agreements contained in the Ground Lease.

**Construction of the Series 2026 Project**

Lessee shall enter into the Development Agreement with Developer, and in accordance with Developer's obligations thereunder, Developer will execute on behalf of Lessee as agent for Lessee, the Construction Contract with Contractor, and enter into and assign to Lessee the Architect's Agreement. Lessor has approved the Construction Contract, including, specifically (a) the "guaranteed maximum price" for the Series 2026 Project, the Offsite Elements and the Offsite Demolition, and (b) the cost, pricing, and certain economic assumptions and each and every qualification, assumption and exclusion set forth therein. Lessee shall at all times comply with the terms of the Ground Lease Article entitled General Conditions of the Work and communicate with Lessor's Representative with respect to all consents sought, or approvals required, under the Ground Lease. The terms and provisions of Series 2026 Ground Lease Article titled Construction of Series 2026 Project shall only apply to the initial construction of the Series 2026 Project and the Series 2026 Offsite Elements.

*Default in Construction*. In the event of a default by Developer under the Development Agreement, the Contractor under the Construction Contract, or the Architect under the Architect's Agreement in connection with the design and/or construction of the Series 2026 Project and the Offsite Elements, Lessee shall exercise, and cause the Developer to exercise, such rights and remedies available to Lessee and/or Developer as reasonably required to complete construction in accordance with the Development Agreement and Construction Contract, in each such instance, after consultation with Lessor. If an Event of Default shall occur or if Lessee or Developer shall default under the Development Agreement, the Construction Contract or the Architect's Agreement, Lessor may, subject to the rights of the Bond Trustee pursuant to the Bond Documents, assert the rights of Lessee under the terms of the Development Agreement, the Construction Contract and the Architect's Agreement. As security for Lessee's performance of the Work, Lessee grants to Lessor a security interest in the Construction Documents.

*Commencement of Construction.* Lessee shall, under the terms of the Development Agreement cause the Developer and Contractor to commence and pursue to Final Completion the construction of the Series 2026 Project and the Offsite Elements, in accordance with the Construction Documents and in accordance with the Schedule of Performance. Lessee shall enforce or cause Developer to enforce the Construction Documents, and Lessee shall not make Material Changes or modifications or terminate the Construction Contract or the Architect's Agreement without the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed. Lessee may make (or allow to be made) customary field changes and adjustments.

*Completion of Construction by Lessor.* Lessor acknowledges that Lessee intends to assign to the Issuer all of Lessee's right, title, interest, and remedies in and to the Construction Documents pursuant to the Assignment of Construction Documents. If (i) Lessee shall abandon or fail to complete the construction of the Series 2026 Project and the Offsite Elements in accordance with all material requirements of the Ground Lease, and (ii), the Issuer or the Bond Trustee (as assignee of the Issuer) shall not elect to complete such Work pursuant to the terms of the Assignment of Construction Documents, Lessor may, at its option (but without any obligation so to do and without prejudice to any other rights Lessor may have under the Ground Lease) complete the Work undertaken by Lessee as an expense of the Series 2026 Project and, as nearly as practicable and proper, according to the final Plans and Specifications previously approved by Lessor.

*Title to the Series 2026 Project.* Title to the Series 2026 Project including any modifications or additions thereto during the Term shall be vested in Lessee until the Termination Date, at which time all title to and ownership of the Series 2026 Project shall automatically and immediately vest (without the necessity of any further action being taken by Lessee or Lessor or any instrument being executed and delivered by Lessee to Lessor) in Lessor. Notwithstanding the foregoing, Lessee shall execute and deliver any documents reasonably requested by Lessor evidencing conveyance and transfer of title.

*Offsite Elements to be Transferred to Lessor.* Lessee shall notify Lessor when it believes it has achieved Substantial Completion of the Offsite Elements and has fulfilled all mitigation measures required in the Ground Lease Article entitled Environmental Impact Mitigation Measures. Subject to the following sentence, Lessor shall, within ten (10) Business Days after Lessor's receipt of such notice from Lessee, execute the Acceptance of the Offsite Elements substantially in the form attached the Ground Lease as Exhibit E with respect to those Offsite Elements that are located on land owned by the Lessor. In the event that Lessor finds Final Completion of the Offsite Elements not to have been achieved, or all mitigation measures have not been fulfilled, Lessor shall deliver to Lessee a description of measures to be taken by Lessee that will result in Lessor's finding Final Completion to have been achieved. Upon receipt of such description, Lessee shall diligently pursue such measures to Final Completion.

*Architects, Engineers, and Professional Consultants.* Lessee shall, under the terms of the Development Agreement, cause the Developer to require any architects, engineers, and professional consultants engaged in connection with the construction of the Series 2026 Project and/or the Offsite Elements to perform their respective obligations under the terms of the Construction Documents to be licensed in accordance with law and to obtain and maintain professional (errors and omissions) liability insurance. Lessor shall engage and pay all fees and charges for inspections and approvals under the Series 2026 Ground Lease and to perform the role of "Inspecting Engineer" under the Loan Agreement and the Indenture.

*Failure to Provide Series 2026 Project on Schedule.*

*Alternate Services.* If Lessee fails to achieve Substantial Completion of the Series 2026 Project, (1) on or prior to September 21, 2028 or, (2) by the Resident Lease Commencement Date, ("Late Delivery"), and, as a result thereof, prospective Occupants of the Series 2026 Project are unable to take occupancy in the Series 2026 Project on or before such Resident Lease Commencement Date, then Lessee shall provide or cause to be provided the Alternate Services: (i) make available bed spaces to Occupants who have executed Resident Leases, in comparable substitute living quarters which contain, in the aggregate, at least an equal number of bed spaces required under each such executed Resident Lease to be available on such date, but which, in fact, are not available; (ii) move Occupants from the substitute living quarters into the Series 2026 Project as units become available therein; (iii) provide Occupants occupying any substitute living quarters with regular dedicated transportation to and from the Campus for classes and meals, Monday through Friday every half hour during the hours from 7:00 AM to 9:00 PM and Saturdays every half hour during the hours from 7:00 AM to 3:00 PM; and (iv) take such additional ameliorative actions as the Parties and Developer shall mutually agree upon.

Lessee's obligation to provide Alternate Services will terminate five (5) days after the later of Substantial Completion of all Bed Accommodations, or the date all prospective Occupants have moved into the Series 2026 Project. The obligation of Lessee and Developer to provide Alternate Services will not affect the Occupants' Resident Leases, which shall remain in full force and effect, and Lessee shall or shall cause the Manager to require each such Occupant to make payments in accordance with his or her Resident Lease during the time Developer is providing Occupant with substitute living quarters and transportation services. In compliance with the procedures set forth in the Development Agreement, Lessee shall disburse or cause to be disbursed to Developer an amount equal to (x) the amount budgeted in the Annual Budget for Operating Expenses of the Series 2026 Project for such applicable period during which Developer is providing Alternate Services, less (y) the amount, if any, of Operating Expenses actually incurred at the Series 2026 Project during such period.

*Development Agreement Enforcement*. Lessee shall enforce all provisions of the Development Agreement, and Lessee shall not amend, modify or terminate the Development Agreement without the prior written consent of Lessor, which consent shall not be unreasonably withheld or delayed. If, with the consent of Lessor, Lessee terminates the Development Agreement with the initial Developer, Lessee shall promptly identify and engage a replacement Developer satisfactory to Lessor, on such terms and conditions as may be reasonably satisfactory to Lessor. Lessor and Lessee acknowledge and agree that (i) under certain circumstances it may not be reasonable to require the replacement Developer to be responsible for the payment of the Incremental Costs (as such term is defined in the Ground Lease), and (ii) under such circumstances Lessor shall not withhold its approval of the terms and conditions of the replacement Development Agreement solely as a result of the fact that the replacement Development Agreement may not require the replacement Developer to pay the Incremental Costs.

**Licenses and Easements**

*Construction Access*. Lessor agrees and does hereby grant to Lessee and its Agents and their respective agents, employees, and contractors a non-exclusive, temporary license on, over, across, and through the Licensed Land for vehicular ingress, egress, storage, parking, landscaping, staging and construction activities in connection with the Series 2026 Project and the Offsite Elements. Lessor further agrees and does hereby grant to the Bond Trustee a non-exclusive, temporary license on, over, across, and through the Leased Land and Licensed Land for the sole and limited purpose of exercising its rights pursuant to the Assignment of Construction Documents. Such construction license shall expire automatically upon the Final Completion Date.

*Reservation of Rights*. Lessor reserves to itself the right to grant to others in the future nonexclusive easements over, under, through, across or on the Leased Land in locations that will not unreasonably interfere with Lessee's use of the Leased Land. Any interference shall be temporary, and all work on the Leased Land shall proceed expeditiously. Lessee shall be given reasonable notice before commencement of any work on the Leased Land. If installation or maintenance of such easements causes any damage to the Leased Land, or any portion thereof, including but not limited to pavement, curbs and sidewalks, Lessor shall repair the same, or cause the same to be repaired, at Lessor's expense. Lessor shall hold harmless and indemnify Lessee from claims arising out of the grant or use of such easement, but only in proportion and to the extent they result from the negligence or wrongful act or omission of Lessor or Lessor's employees, agents or invitees; provided however, Lessee and its Agents shall not be deemed to be Lessor's invitees.

*Landscape and Utility Easements*. Lessor shall grant such easements in favor of Lessee and any utility providers as are reasonably necessary for the installation and operation of utilities serving the Series 2026 Project and for the relocation of utilities existing on the site as of the Reference Date, provided that the location of such easements shall be subject to Lessor's prior written approval, which shall not be unreasonably withheld.

*Cross-Licenses*. Lessor and Lessee shall each grant to the other, and their respective successors, assigns, successors-in-title, invitees, employees, and sublessees, non-exclusive licenses and rights of way on, over, across and through those portions of the Leased Land and the adjacent land along the boundaries of the Series 2026 Project sites for pedestrian and vehicular ingress, egress, and access as shall be reasonably required for operating the Series 2026 Project and for operating adjacent Campus facilities, and Lessor grants to Lessee, and each of its respective successors, assigns, successors-in-title, invitees, employees, and sublessees, non-exclusive licenses and rights of way on, over, across and through those private roads known as Adobe Circle South, California Avenue, Pereira Drive and E. Peltason Drive for pedestrian and vehicular ingress, egress, and access as shall be reasonably required for operating the Series 2026 Project.

**Operation of the Series 2026 Project**

*Lessee's Obligation to Operate*. Upon Substantial Completion of each building within the Series 2026 Project, Lessee shall operate, or cause the Manager to operate, the Premises in accordance with the Campus Regulations (as such term is defined in the Ground Lease), as such Campus Regulations may be amended, supplemented, or replaced from time to time. If approved by Lessor, an adjustment shall be made to the Series 2026 Annual Budget in connection with any amendment, supplement, or replacement of the Campus Regulations, if reasonably necessary for compliance with such amendment, supplement, or replacement.

*Management of Premises.* Lessee will cause the preparation of a plan for the management of the Series 2026 Project consistent with the Campus Regulations ("Management Plan"), which Management Plan will include a marketing plan, a staffing plan appropriate to the size and nature of the Series 2026 Project and provide for the enforcement of the Campus Regulations. Lessee will enter into the Management Agreement attached to the Ground Lease as an exhibit in connection with the operation of the Series 2026 Project. Lessee will not amend the Management Agreement without the prior consent of Lessor, nor will Lessee enter into any other management agreement for the Series 2026 Project, without the prior consent of Lessor, and as provided in the "Expiration or Termination of Management Agreement" provision of the Ground Lease, described below.

*Standards of Operation*. Lessee will perform its obligations under this provision of the Ground Lease or cause them to be performed through the Management Agreement, in a manner which demonstrates managerial skill, knowledge, judgment, and practice which is standard for the management of comparable residential multi-tenant student housing facilities, public or private, in the Irvine area which are maintained in first class condition. Lessor, in agreeing to the terms of the Ground Lease, is relying on the expertise, experience and reputation of Lessee and Manager to cause the Series 2026 Project to be operated, maintained and managed in such condition. Lessor, in agreeing to the terms of the Series 2026 Ground Lease, is relying on the expertise, experience, and reputation of Lessee and Manager to cause the Series 2026 Project to be operated, maintained and managed in such condition. In recognition of the fact that the Occupants of the Premises are anticipated to be Campus students, Lessee shall, in good faith use its best economically reasonable efforts to provide, and shall require its Manager to provide, a level of professionalism and dedication to serving Permitted Occupants no less than to that provided by Campus housing staff to its student occupants.

*Failure to Meet Standards of Operation*. If Lessor reasonably believes that the operation of the Premises is materially deficient in (i) observing the Campus Regulations, (ii) meeting the standards of operation set forth in the "Standards of Operations" provision of the Ground Lease or the Management Plan, (iii) maintaining the Premises as provided for in the "Maintenance Standards" provision of the Ground Lease, or (iv) otherwise causing an Event of Default under the Ground Lease relating to the operation of the Premises (each of which will be an "Operating Deficiency"), such Operating Deficiency will be resolved by the following process:

(a) Lessor will notify Lessee in writing of the nature and specific circumstances or events causing such Operating Deficiency. Lessor and Lessee will meet and confer within five (5) business days following such notification to discuss the existence of the Operating Deficiency and to agree upon a mutually agreeable cure.

(b) If Lessee agrees that such Operating Deficiency exists, Lessee will cure, or cause to be cured, the Operating Deficiency within twenty (20) business days following such notification, or such other time period as Lessor and Lessee agree is appropriate, provided that if such Operating Deficiency cannot reasonably be cured within such period, Lessee will not be in breach of this obligation if it starts reasonable curative efforts in good faith within twenty (20) business days and thereafter diligently prosecutes such cure to completion.

(c) If Lessee does not agree that such Operating Deficiency exists, then either party may submit the dispute to resolution as provided for in the "Dispute Resolution" provision in the Series 2026 Ground Lease. If the arbitrator finds that an Operating Deficiency exists, the arbitrator will also be required to determine curative action and the period within which Lessee will be required to cure.

(d) If Lessee fails to cure, or cause to be cured, the Operating Deficiency within the period determined in paragraphs (b) or (c) above, Lessor may take any one or more of the following actions: (i) cure such Operating Deficiency under the Ground Lease, (ii) require Lessee to obtain new management of the Premises if such Operating Deficiency resulted from the fault, error or omission of Manager, or (iii) pursue the other remedies set forth in the Ground Lease.

*Expiration of Management Agreement.* Not less than 180 days prior to the expiration of the Management Agreement, and the expiration of each subsequent Management Agreement: (a) Lessee and Lessor will meet and confer to determine whether the best interests of the Series 2026 Project would be served by renegotiating the then existing Management Agreement (if then any), or by soliciting proposals for a new Management Agreement, and (b) if Lessor concludes that obtaining such proposals would be desirable, Lessee will solicit and use its best efforts to obtain three (3) proposals for a new Management Agreement, from entities which Lessor and Lessee have agreed have material experience in managing university-related housing. Proposals may be submitted by the then-current Manager (if any), and by Lessee itself. Lessee will engage the Manager designated by Lessor from among those entities submitting proposals. If Lessee will terminate the Management Agreement for any reason prior to its expiration, Lessee will solicit proposals as required by clause (b), above.

*Termination of Management Agreement.* Upon the terms and conditions contained in the Management Agreement, Lessor shall have the right to direct Lessee to terminate and replace the then-current Manager with a manager approved by the Lessor. Following receipt of such direction from Lessor, Lessee shall effectuate any such termination or replacement within one hundred and eighty (180) days. Upon written request by Lessor, or upon Lessee's request which Lessor has approved in Lessor's sole discretion, Lessee shall terminate the Management Agreement without cause, but on the terms and conditions contained in the Management Agreement. Upon receipt of any such request, Lessee shall promptly terminate the Management Agreement and proceed to enter into a new Management Agreement in full compliance with the requirements of the Ground Lease provision titled "Expiration of the Management Agreement" (as though the Management Agreement being so terminated were expiring).

*Condition Assessment.* At the conclusion of the fifth (5th) complete Lease Year and each fifth (5th) anniversary thereafter during the Term and as an Operating Expense, Lessee shall commission or cause the Manager to commission the preparation of a Condition Assessment of the Series 2026 Project. Lessee shall coordinate with the Manager to provide the Lessor the opportunity to review and approve the draft Condition Assessment report, including associated exhibits, cost estimates, and immediate repair and replacement reserve tables. Lessee shall promptly provide the Lessor a copy of the Condition Assessment report upon completion and utilize the Condition Assessment in the development and preparation of subsequent Series 2026 Capital Budgets.

*Resident Leases.* Any other provision of the Ground Lease to the contrary notwithstanding, Lessee will, without the consent or approval of Lessor, have the right, in the ordinary course of business, to enter into, modify and terminate Resident Leases in accordance with the criteria set forth in the Management Plan and Management Agreement.

*Lessor's Commitment.* Lessor will: (i) include the Series 2026 Project in all information and marketing materials regarding student housing that it provides to students and prospective students to the same extent it provides such information and materials for other housing not owned by Lessor; (ii) in the Lessor's mail outs, catalogues, informational brochures, housing website and other literature, identify the Series 2026 Project as residential housing available to students to the same extent it identifies other housing not owned by Lessor; and (iii) at no cost to the Lessor (i.e., pursuant to reimbursement by Lessee), provide to Permitted Occupants substantially similar student services and access that it provides to students in Lessor-owned Campus housing facilities, including, without limitation, functionally equivalent access to the Lessor's Campus telecommunications network, which shall be provided by a third-party vendor selected by Lessor in its sole discretion, and use of the Campus transportation system.

**Security Interest**

*Pledge, Assignment, and Grant of Security Interest*. As security for Lessee's performance of its obligations hereunder and subject to the rights of the Issuer, the Bond Trustee (as assignee of the Issuer), or the Master Trustee, Lessee hereby collaterally assigns and pledges to Lessor, and hereby grants to Lessor a security interest in, all of Lessee's right, title, and interest in and to the Assigned Agreements, including: (i) all rights of Lessee to receive moneys due and to become due under or pursuant to the Assigned Agreements; (ii) all rights of Lessee to receive proceeds of any insurance, indemnity, warranty, or guaranty with respect to the Assigned Agreements; (iii) claims of Lessee for damages arising out of or for breach of or default under the Assigned Agreements; and (iv) the right of Lessee to terminate the Assigned Agreements, to perform thereunder, and to compel performance and otherwise exercise all remedies thereunder. Notwithstanding the foregoing assignment, pledge, and grant of security, so long as no Event of Default has occurred and is continuing, Lessee shall be entitled to all of the benefit and right under the Assigned Agreements. Lessor acknowledges that, pursuant to the Assignment of Construction Documents, the Financing Trust Agreement and Issuer Deed of Trust, Lessee will grant to Issuer, the Issuer Security Interests. Any and all security interests granted to Lessor by Lessee pursuant to the Ground Lease (including the security interest granted in this section) shall be subject to the provisions of the Ground Lease Article titled Encumbering the Leasehold and subordinate in all respects to the Issuer Security Interests and the interests of the Bond Trustee, the Master Trustee and any permitted Leasehold Deed of Trust Trustee, including the Bond Trustee.

*Financing Statements*. Lessee authorizes Lessor to file one or more financing and/or continuation statements, and amendments thereto, relating to all or any part of the Assigned Agreements, without the signature of Lessee where permitted by law. A photocopy or other reproduction of the Ground Lease or any financing statement covering the Assigned Agreements, or any part thereof will be sufficient as a financing statement where permitted by law.

*Lessor May Perform.* If Lessee shall fail to perform any agreement contained within the Ground Lease, and if such failure shall continue uncured after the giving of notice and the expiration of any applicable cure period, Lessor may itself perform, or cause performance of, such agreement, and the reasonable expenses of Lessor incurred in connection therewith shall be payable by Lessee to Lessor as Additional Rent under the Lease. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact, with full authority in the place and stead of Lessee and in the name of Lessee or otherwise, if an Event of Default shall have occurred, to take any action and to execute any instrument which Lessor may deem necessary or advisable to accomplish the purposes of the Series 2026 Ground Lease, subject in all cases to the rights of the Issuer and the Bond Trustee (as assignee of the Issuer), including: to obtain insurance required pursuant to the Ground Lease in the event Lessee shall fail to obtain such insurance; to ask, demand, collect, sue for, recover, compromise, receive, and give acquittance and receipts for moneys due and to become due under or in connection with the Assigned Agreements; and to file any claims or take any action or institute any proceedings which Lessor may deem necessary or desirable to enforce compliance with the terms and conditions of any Assigned Agreement or the rights of Lessor with respect to any of the Assigned Agreements. Lessee shall provide written notice to Lessor if an Event of Default has occurred, as well as any events that constitute "defaults" or "events of default" under the Assigned Agreements to the extent Lessee has knowledge of such "defaults" or "events of default."

*Lessor's Duties*. The powers conferred on Lessor under the Lease are solely to protect its interest in the Assigned Agreements and shall not impose any duty upon it to exercise any such powers. Lessor shall have no duty to take any necessary steps to preserve rights against prior parties or any other rights pertaining to the Assigned Agreements.

**Assignment and Subletting**

Except as otherwise provided in the Ground Lease (including, without limitation, the "Encumbering the Leasehold" provision of the Ground Lease, described below), Lessee will not have the right to assign or transfer Lessee's Interest or any portion thereof or any right or privilege appurtenant thereto, or to sublease the Leased Land or any portion thereof ("Transfer"), without the prior written consent of Lessor, which consent may be granted or withheld in Lessor's sole discretion. A sale of all or any portion of Lessee's Interest and the transfer, assignment or hypothecation of any interest in Lessee shall each be deemed an assignment within the meaning of Ground Lease Article titled Assignment and Subletting. Except as otherwise provided in the Ground Lease, Lessee shall not be entitled to Transfer less than all of Lessee's Interest under the Ground Lease (other than as sublease) or to Transfer its title to the improvements separately from its interest under the Ground Lease.

Lessor shall grant or deny its approval of, or request additional information or documentation with respect to, a proposed Transfer within thirty (30) days following Lessor's receipt of notification from Lessee regarding the proposed Transfer. Following a request from Lessor for additional information and/or documentation as provided under the Ground Lease, Lessor shall have thirty (30) days from Lessor's receipt of such additional information or documentation in which to grant or deny its approval with respect to the proposed Transfer and/or the proposed assignee.

If Lessee desires to enter into a Transfer, it shall first, before commencing any marketing activity in anticipation of a Transfer, deliver to Lessor the Offer (as such term is defined in the Ground Lease) and offering to enter into a Transfer with Lessor on the same terms and conditions (except that if the terms and conditions include financing, Lessor shall have the option to acquire Lessee's Interest for all cash). In such a case, Lessor and Lessee shall comply with the provisions of the Ground Lease titled "Right of First Offer" and "Closing of Transfer."

**Maintenance of Property**

*Maintenance Standards*. Lessee will, subject to the Series 2026 Annual Budget, at all times during the Term of the Ground Lease, as an Operating Expense, keep and maintain the Series 2026 Project and all adjoining areas out to the perimeter pavement, and appurtenances and every part thereof, and all buildings, other structures or improvements that may exist on, in, or be made a part of the Series 2021Project, in a safe, sanitary, clean and structurally sound condition in accordance with the Management Plan, and substantially equivalent to or in better condition than a First Class Condition. All normal maintenance and repair during the term of the Ground Lease will be performed as required under the Ground Lease. If Lessee fails to perform any of its obligations as required under the Lease, after notice and right to cure, Lessor may (but shall not be required to) perform and satisfy same, and Lessee hereby agrees to reimburse Lessor, as Additional Rent, for the reasonable cost thereof.

*Stormwater Management Program*. Lessee recognizes that Lessor has adopted and implemented a stormwater management program in conformance with the National Pollution Discharge Elimination System (NPDES) and other regulatory requirements. Lessee shall implement, as a Series 2026 Project cost, measures affecting the Series 2026 Project that are included as part of such stormwater management program.

**Alterations**

Following the Substantial Completion of the Series 2026 Project, Lessee will make no material alterations or additions to the Premises with a cost in excess of the Threshold Amount except as specifically provided in the "Alterations" provision of the Ground Lease, or approved in the most recent the Series 2026 Capital Budget, or as otherwise approved by Lessor. Lessee may make any alteration with an aggregate cost less than the Threshold Amount without Lessor's prior consent, provided that (a) no electrical distribution systems; heating, ventilating, and air-conditioning systems; plumbing and sanitation systems; or communication systems ("Essential Operating Systems") shall be materially or adversely affected thereby, and (b) such alteration does not violate any requirements of Applicable Laws. Lessee may not make any additions without Lessor's prior consent. Before Lessee shall commence any alterations or additions requiring Lessor's approval, Lessee shall submit to Lessor the submittals as reasonably required by Lessor for the nature of the proposed Work and otherwise comply with the provision of the Ground Lease titled "General Conditions of Work."

**Capital and Annual Budgets**

No later than 90 days prior to the Completion Date, and 120 days prior to the commencement of each Lease Year thereafter, Lessee will prepare or cause the Manager to prepare the Series 2026 Annual Budget and Management Plan, which shall include the Operating Budget and the Capital Budget, setting forth the following:

(a) the nature, cost, and timing of the capital improvements and Personalty. replacements projected to be required for the Series 2026 Project during the lesser of (a) the following 30 Lease Years, or (b) the projected remaining term of the Bonds;

(b) a projection of the amounts of funds required to be on deposit in the Repair and Replacement Fund for each year of the Capital Budget in order to (a) fully fund the capital improvements and Personalty replacements projected in the Series 2026 Capital Budget, and (b) maintain the following Minimum Repair and Replacement Fund Balance with respect to the Series 2026 Project: until June 30, 2033, $1,000,000 and from July 1, 2033 to June 30, 2038, $1,500,000, and after July 1, 2038, $2,000,000 in Current Dollars;

(c) the amount of the Repair and Replacement Deposit proposed to be deposited in the Repair and Replacement Fund for the Lease Years following Substantial Completion provided that such deposit will be no less than $186,375.00 with respect to the Series 2026 Project in Current Dollars (the "Base Reserve Deposit");

(d) the amount of funds to be deposited into the Repair and Replacement Fund, if and as available from the Surplus Fund, and if necessary, to fully fund capital improvements and Personalty. replacements projected in the Series 2026 Capital Budget and maintain the required Minimum Reserve Balance for the following Lease Year ("Supplemental Deposit").

Lessee will, to the greatest extent possible, prepare the Series 2026 Capital Budget so that year-to-year changes exceeding ten percent (10%) in the sum of the Base Reserve Deposit and the Supplemental Deposit are avoided. Lessee will provide Lessor with a copy of the Capital Budget within ten (10) days following its preparation.

Lessee shall provide Lessor with a copy of the proposed Series 2026 Annual Budget and Management Plan and Lessor shall review, comment and approve or reject such items within thirty (30) days following submission. Any proposed Series 2026 Annual Budget and Management Plan submitted by Lessee to Lessor shall be deemed approved unless, within the thirty (30) day period, Lessor provides written disapproval or provides Lessee with its proposed revisions and adjustments. The Parties agree to use commercially reasonable efforts to promptly meet, confer, discuss and resolve any disputed items or amounts prior to commencement of the next Lease Year and further agree to supply any supporting documentation or information reasonably necessary to support the Series 2026 Annual Budget and Management Plan. If the Parties are unable to resolve their differences or disputes related to the Annual Budget, Lessor may submit the Series 2026 Annual Budget to dispute resolution under the Ground Lease provision titled "Dispute Resolution," with directions to the arbitrator(s) to provide reasonable estimates of life spans, costs, and funding levels. If the Parties are unable to resolve their differences or disputes related to the Series 2026 Annual Budget at least thirty (30) days prior to the commencement of a Lease Year, the Series 2026 Annual Budget for the then current Lease Year, as increased by a factor equal to the Consumer Price Index Change, shall be implemented for the next Lease Year until agreement is reached on a new Series 2026 Annual Budget.

**Financial Statements**

Lessee shall engage an independent certified public accountant to perform an audit of Lessee's operations for the previous Lease Year and prepare complete audited financial statements, including all required footnotes, using GAAP. The annual financial statements, complete with the independent certified public accountant's opinion, shall be provided to Lessor no later than one hundred twenty (120) days after the end of each fiscal year of Lessee during the Term. Lessee shall provide to Lessor no later than September 15th of each Lease Year during the Term (i) unaudited financial statements and (ii) a conversion worksheet that translates, converts or otherwise provides means pursuant to which the income statement and balance sheet included in such Annual Financial Statement can be interpreted and conformed to the pronouncements of the Governmental Accounting Standards Board.

Lessee shall prepare, or cause the Manager to prepare, on a quarterly basis, unaudited statements for the Premises reporting results of operations, the form and content of which shall be generally consistent with the financial statements required pursuant to the Loan Agreement. Lessee shall provide Lessor with copies of such financial statements within forty-five (45) days after the end of each calendar quarter commencing with the first full calendar following the final completion date.

**Indemnification by Lessee**

Subject to certain limitations in the Ground Lease Article titled Limitation of Liability, Lessee hereby releases and agrees to indemnify, defend (with counsel reasonably acceptable to Lessor) and hold harmless (and will cause the

Developer, Architect and Contractor, respectively to release, indemnify and hold harmless) the Indemnitees of and from any and all Claims caused by, growing out of, or otherwise happening in connection with the Ground Lease to the extent that such Claims result from (i) any negligence or intentional act or omission on the part of Lessee, its officers, agents, or employees, or (ii) the violation of any Applicable Law by Lessee, its officers, agents, or employees; or (iii) any condition or defect in the Series 2026 Project. This indemnification extends to the successors and assigns of Lessee, and this indemnification survives the expiration or termination of the Ground Lease and the dissolution or, to the extent allowed by law, the bankruptcy of Lessee.

**University Services**

*Campus Monitoring and Coordination.* Lessor, through its Campus Student Housing Office and/or Campus Assets, will monitor the operation of the Premises throughout the Term of the Ground Lease. Lessee will pay Lessor in the amount of $140,689.00 per Lease Year, which shall be escalated annually by the greater of (i) three percent (3%) or (ii) the Current Dollars adjustment, in arrears, as an Operating Expense of the Series 2026 Project, a fee for such monitoring and coordination service for the Premises. The payments to be made pursuant this provision shall be payable only from the Surplus Fund.

*Police*. The Premises shall be subject, at all times during the Term of the Series 2026 Ground Lease, to the jurisdiction of Lessor's Campus police. Lessee will pay Lessor in the amount of $135,061.00 per Lease Year, which shall be escalated annually by the greater of (i) three percent (3%) or (ii) the Current Dollars adjustment, for such police service for the Premises, with the first such prorated payment due and payable within thirty (30) days after the first deposit for the Series 2026 Project is made into the Operating Account as described in the Bond Documents, and subsequent payments due and payable on October 1 of each Lease Year thereafter.

*Shuttle Service*. Lessor will provide shuttle bus service commencing upon occupancy of the Series 2026 Project and continuing throughout the Term, between the Premises and other Campus locations, as part of the Campus shuttle bus service existing as of the Effective Date of the Ground Lease and as shuttle bus service may be modified from time to time on a Campus wide basis. Lessee will pay Lessor $460,333.00 per Lease Year, which shall be escalated annually by the greater of (i) three percent (3%) or (ii) the Current Dollars adjustment, in arrears, for such shuttle bus service for the Premises. The payments to be made pursuant this provision shall be payable only from the Surplus Fund.

*Marketing.* Lessor shall provide support necessary for marketing of the Series 2026 Project.

*Information*. Unless otherwise obligated to provide such information to Lessee or its Agents pursuant to other documents, subject to appropriate limitations and restrictions concerning confidentiality, use and dissemination, Lessor shall, within ten (10) days of written request therefor, provide Lessee and its Agents such information concerning Eligible Tenants as may be reasonably required to facilitate and enable Lessee and its Agents to perform the services described herein.

*Lessor's Elective Services for the Series 2026 Project***.** Lessor may, in the exercise of Lessor's sole discretion, elect to provide any Covered Services for the entirety of the Series 2026 Project ("Lessor's Elective Services"). Unless deemed to have elected under the sub-management agreement, Lessor shall make the election as to whether to provide any one or more of Lessor's Elective Services on or before October 1 with respect to the next Lease Year and shall enter into a sub-management agreement by and between Manager and Lessor. Notwithstanding the foregoing, (i) Lessor's election to provide Lessor's Elective Service during any Lease Year shall not be a guaranty or covenant that Lessor will continue to offer such Lessor's Elective Service during any other Lease Year of the Term, and (ii) any fees charged by Lessor for any Lessor's Elective Services (collectively, "Lessor's Elective Services Fees") shall not be in an amount that would cause the Series 2026 Project to violate the covenants of the Bond Documents. Lessor reserves a right of access over and across the Leased Land and the Series 2026 Project for purposes of providing any such Lessor's Elective Services and maintaining, repairing, replacing or upgrading any facilities or equipment of Lessor utilized in connection therewith. Transportation, food, and laundry services and security services, regardless of whether defined as covered services in Article 5 of the Collective Bargaining Agreement or any other collective bargaining agreement entered into by Lessor, shall not be included in the scope of services required to be provided by Lessee or Manager unless and until the Series 2026 Project is changed or the Lessor, Lessee and Manager expressly agree to modify said scope of services.

To the extent (1) Lessor does not elect to perform the Covered Services, or (2) Lessee or Manager terminates the sub-management agreement or exercises any self-help remedies thereunder, and non-Lessor employees perform any Covered Services at the Premises, then the Lessee shall, or shall cause manager to, (i) cause those individuals to receive wages and benefits of equivalent value to those provided to bargaining unit employees performing the same or similar work on the Campus or as otherwise described in Article 5 of the Collective Bargaining Agreement, as directed by Lessor; (ii) permit the Lessor to conduct compliance audits as Lessor reasonably requests, and determined at Lessor's sole discretion; (iii) post Lessor Contracting for Covered Services notices, in the template supplied by Lessor, in a prominent and accessible place (such as break rooms and lunch rooms) where it may be easily seen by workers who perform Covered Services; and (iv) provide Lessor requested verification of compliance, in a form acceptable to Lessor, no later than ninety (90 ) days after receiving Lessor's request. Lessor shall provide Lessee and the Manager with directions as to the timing and method of compliance with the requirements of the previous sentence and Lessee and the Manager shall be entitled to rely upon such directions. Lessor shall have the right to waive these requirements, in its sole and absolute discretion, upon delivery of written notice to Lessee.

**Insurance**

*General*. It is the intent of the Parties that all risk of loss be shifted to insurance to the maximum extent practicable. Accordingly, unless Lessor otherwise agrees, Lessee shall maintain, or cause to be maintained, insurance covering the risks enumerated below to the extent that such insurance is available on commercially reasonable terms.

*Property Loss Coverage*. From the Effective Date until the expiration or earlier termination of the Series 2026 Ground Lease, Lessee shall keep, or cause to be kept, as an expense of the Series 2026 Project, the Series 2026 Project, Personalty and all of Lessee's personal and real property which may be situated on Leased Land, insured by an all-risk or special form policy of insurance subject to standard exclusions and sub-limits (which may be in the form of a blanket policy covering multiple location) for the greater of: (i) the then current cost of demolition and removal of the Series 2026 Project, and (ii) one hundred percent (100%) of the full, undepreciated replacement cost from time to time of the Series Project.

Lessor shall be named as Named Insured and the Issuer and Trustee shall be named as additional insureds as to any builders' risk policy procured for the Series 2026 Project, on an "all risk of loss or damage basis" subject to standard exclusions including perils of earth movement, flood, windstorm, collapse, boiler and machinery accidents, strikes, riot, civil commotion and sabotage to the full replacement costs of the Series 2026 Project subject to policy sublimits.

With regard to the Earth Movement/Earthquake coverage required under the builder's risk policy, the policy may contain the lowest commercially available deductible provisions, but in any case with deductibles not to exceed 5% of value at risk, but only if and to the extent that Lessor and Lessee agree, in their mutual good faith discretion that the cost of such coverage is financially feasible.

*Liability Coverage*. With respect to the Series 2026 Ground Lease, Lessee will, at all times during the Term, maintain, or cause to be maintained, insurance to cover all activities in connection with the Ground Lease, for bodily injury, wrongful death, personal injury, property damage, and contractual liability.

Coverage shall be subject to terms no less broad than the Insurance Services Office's (ISO) form CG 0001 (2004 or later edition). Limits specified above are minimum and policy shall not include a residential/apartment exclusion.

Workers' Compensation insurance: in an amount and form sufficient to meet all applicable governmental requirements, and Employer's Liability coverage. Such policies shall cover all persons providing labor or services to or on behalf of Lessee, its contractors, subcontractors, or consultants and all risks to such persons arising out of construction, use or occupancy of Leased Land, repair of or entry onto the Leased Land, prior to the Final Completion Date. Waiver of subrogation clause and/or endorsement shall apply in favor of Lessor, Issuer, and Trustee.

Professional Liability (Errors & Omissions) insurance: when any architect, engineer, or consultant is employed by Lessee and/or Developer to perform professional services for the Premises. Lessee and/or Developer shall cause Professional Liability (Errors & Omissions) Insurance, to be carried by each architect, engineer, or consultant hired directly or indirectly by Lessee and/or Developer to perform professional services for any part of the Premises. To the extent possible, all Professional Liability Insurance Policies shall include Lessor as an indemnified party for vicarious liability caused by professional services performed under the Ground Lease.

Pollution Liability: Developer or its Contractor shall procure and maintain Contractor's Pollution Liability Insurance on an occurrence basis, including coverage for microbial matter, which coverage may be granted on a claims made basis. Such coverage shall extend to any non-owned disposal site and any activities involving transportation and/or hauling of hazardous materials. Coverage shall remain in force during the term of the Series 2026 Project, and for ten (10) years beyond the Substantial Completion Date. To the extent that microbial matter coverage is written on a "claims made" basis, coverage shall include a retroactive date of placement prior to or coinciding with the commencement of activities on any part of the Premises, continue until the completion of the construction of the Work, and include at least a ten (10) year discovery period for submitting claims following the Substantial Completion Date. Lessor, Lessee, Issuer and Trustee shall be endorsed as Additional Insured under such policy.

Such other insurance as may be required by the Loan Agreement.

If not otherwise insured under the builder's risk or commercial property policies, flood insurance under the National Flood Insurance Program within the minimum requirements and amounts required for federally financed or assisted loans under the Flood Disaster Protection Action of 1973, as amended, if the Premises is eligible under such program.

Lessee, Developer or Contractor Controlled Insurance Program. Provided Lessor approves in writing and receives copies of the policies for review, Lessee or Developer, or Contract may purchase and secure insurance meeting the insurance requirements of the Ground Lease, referenced to protect Lessor, Lessee, Developer, contractor and subcontractors of all tiers under a Controlled Insurance Program (wrap-up insurance program) which shall include (in a combined policy or as a separate policy) at least a ten (10) year completed operations coverage period for submitting claims following the Substantial Completion Date.

Insurance coverage required shall be provided by insurance carriers with A.M. Best rating of not less than A-VIII. Lessee acknowledges that the coverages required under the Ground Lease shall not in any way limit the liability of Lessee. Notwithstanding any provision within the Ground Lease to the contrary, the liability of Lessee with respect to its obligations under the Ground Lease shall be limited as set forth under Ground Lease Article titled Limitation of Liability.

*Additional Insureds.* With the exception of the Worker's Compensation, Employer's Liability, and Professional Liability policies to be provided pursuant to Ground Lease Section titled Liability Coverage, the insurance policies to be provided or caused to be provided by Lessee, Developer, and/or Contractor under the Lease shall be endorsed to name Lessor, Issuer, Trustee and each of their representatives, consultants, officers, agents, directors, members, shareholders and employees as Additional Insureds for completed and ongoing operations. Lessee and Developer (and any of their respective subcontractors and consultants and Contractor) agree that the amount of insurance available to the Lessor or the Additional Insureds shall be for the full amount of the loss up to the available policy limits and shall not be limited to any minimum requirements stated in the Lease. It is expressly agreed and understood that all additional insured coverage afforded by or caused to be afforded by Lessee or Developer (and any of their respective subcontractors and consultants and Contractor) shall be primary and noncontributing with respect to any other insurance or self-insurance purchased directly by Lessor and any Additional Insured(s). Any other insurance or self-insurance purchased directly by Lessor shall be excess of, and noncontributory with, the additional insured coverage afforded by Lessee and Developer (and any of their respective subcontractors', consultants' and/or Contractor's) policies, if any. Further, to the extent that umbrella/excess policies are used to satisfy the required minimum limits, the "other insurance" provision of such policies shall be amended to provide additional insured coverage on a primary noncontributory basis once the underlying coverage is exhausted.

*Rental Interruption Coverage.* Lessee will, at all times during the Term maintain or cause to be maintained, a policy of rental interruption insurance for the Series 2026 Project in an amount not less than the Annual Debt Service (as defined in the Loan Agreement) on the Series 2026 Bonds for the next succeeding twenty-four (24) months on an actual loss sustained basis minus any nonrecurring expenses.

*Settlement of Claims*. Provided Lessee is not in default under the Ground Lease, nor has there occurred any event which, with the giving of notice or the passage of time or both, could result in Lessee being in default under the Ground Lease, if any portion of the Series 2026 Project, will be damaged or destroyed by an insured peril or otherwise, Lessee will have the right to settle, adjust or compromise any claim involving less than the Threshold Amount. Otherwise, the consent and approval of Lessor will be required to any proposed settlement, adjustment or compromise of any insurance claim.

**General Conditions of the Work**

*General Conditions*. Except to the extent approved and included in the Construction Documents or a Series 2026 Capital Budget, neither Lessee nor its Agents shall commence any Work on the Series 2026 Premises that (a) as to the initial construction of the improvements, requires the implementation of any Material Change Order or (b) as to any Work to be completed after the Final Completion Date, is anticipated to have a cost in excess of the Threshold Amount without the prior written approval of Lessor in accordance with the Ground Lease Sections concerning Design Approval, Architect and Contractor, Project Management Plan, and Material Change Orders, as applicable. The approved Work shall be performed at Lessee's sole cost and expense and in accordance with the terms and conditions specified in Series 2026 Ground Lease Article titled General Conditions of the Work. The following provisions shall govern the permitting, construction and inspection processes to be utilized by Lessee and its Agents during the Term of the Series 2026 Ground Lease.

*Design Approval*. This section shall not apply to or otherwise govern any Work completed prior to the Final Completion Date or included in an approved Capital Budget. Before Lessee or Lessee's Agents shall commence any Work on the Premises with a cost in excess of the Threshold Amount, Lessee or its Agents, as applicable, shall obtain Lessor's prior written approval of the design in accordance with the design review process described below.

(i) Conceptual Design. Lessee or its Agents shall initiate the design approval process by submitting to Lessor a set of schematic plans and preliminary specifications showing the nature of the proposed Work. The submittals shall include two (2) sets of schematic plans and preliminary specifications showing in reasonable detail, as appropriate, the location, extent, materials, colors, size, system design and elevation of the proposed Work, including any affected landscaping, exterior lighting effects or parking. If the submittals conform with the then-current Campus design framework and will not materially, adversely affect the value of the Premises, Lessor will not unreasonably withhold its approval of the proposed Work. However, without limiting the generality of the foregoing, Lessor may disapprove any proposed Work which is not in compliance with (i) any term or provision of the Ground Lease or the long-range development plan or entitlements for the Campus, (ii) any Applicable Laws, or (iii) the Campus physical design framework applicable as of the date of the proposed Work, and (iv) the general aesthetic standards for the Premises.

(ii) Detailed Design. If Lessor approves the Work presented in the schematic plans and preliminary specifications submittal, Lessee or its Agents shall prepare, or cause the preparation of detailed Plans and Specifications for the Work and shall provide Lessor the reasonable opportunity to review and comment upon progress versions of the Plans and Specifications as reasonably requested. Lessor and Lessee and its Agents shall confer and develop a reasonable design review process including a level of effort commensurate with the nature of the proposed Work and shall use their commercially reasonable efforts to diligently pursue the design work to completion. Lessee acknowledges that prior to approving a permit set of Plans and Specifications for the proposed Work, Lessor may be obligated to meet and consult with certain committees and other persons within Lessor's organization. Lessee or its Agents shall (i) provide Lessor with such information and materials (to the extent reasonably available) as Lessor may reasonably request, (ii) at reasonable times and upon reasonable notice attend committee and other meetings with Lessor and other persons associated with Lessor, and (iii) otherwise respond to the reasonable requirements of such committees and other persons within Lessor's organization in connection with Lessee's request for approval of the proposed Work.

(iii) Final Design. If there are any Material Changes to Plans and Specifications submitted for Lessor's review pursuant to the Ground Lease Section pertaining to Conceptual Design, then prior to submittal to the Approving Agency, Lessee or its Agents shall submit to Lessor, for Lessor's review, four (4) duplicates of the permit set of Plans and Specifications for the proposed Work, whether or not such items are required by the Approving Agency to commence the application for governmental design approval. Lessee or its Agents shall not apply for any governmental approvals until after obtaining Lessor's prior written approval of any Material Changes to the permit set of Plans and Specifications.

(iv) Design Changes and Disputes. Prior to finalizing any Construction Documents that include any Material Changes to Construction Documents previously approved by Lessor, Lessee or its Agents shall submit to Lessor for Lessor's prior written approval four (4) duplicate sets of such documents, upon which any changes shall be indicated. If Lessor disapproves any item pursuant to the Ground Lease Article titled General Conditions of Work, Lessee or its Agents shall make the changes reasonably necessary to address the disapproved item and shall resubmit it for Lessor's approval. Neither Lessee nor its Agents shall proceed with the disapproved item, or any item affected by the disapproved item, until Lessor has approved (or is deemed to have approved) Lessee's changes. If Lessor and Lessee are unable to agree upon a resolution, Lessor and Lessee shall attempt in good faith to resolve the Dispute in accordance with the applicable terms of the Ground Lease.

(v) Approvals. All Plans and Specifications and other Construction Documents required to be submitted for Lessor approval in accordance with this section shall be approved or disapproved in accordance with the procedure set forth in the Ground Lease Section pertaining to Material Change Orders.

*Architect and Contractor*. Prior to entering into or materially modifying or amending any contract with any Architect, Contractor or Agent for any Work requiring Lessor's approval, Lessee shall obtain Lessor's prior written approval including the identity of each, which approval shall not be unreasonably withheld, conditioned or delayed. Each such contract shall contain provisions reasonably acceptable to Lessor that permit the contract to be assumed by Lessor or its designee, at Lessor's sole discretion, following a termination of the Ground Lease. Any such assumption shall be on the same terms and conditions (including fees and prices) as set forth in the contract but shall not impose any obligation on Lessor to assume responsibility for Lessee's acts or omissions.

*Building Permits.* No physical Work shall be undertaken until all permits and authorizations of the Approving Agency (or any other applicable Governmental Authority having jurisdiction over the Work) required to commence the Work shall have been procured and paid for, so far as the same may be required, from time to time, with respect to such portion of the Work being undertaken. All permits, authorizations, reviews, and any documentation obtained in connection with the Ground Lease or the use of the Premises shall be obtained at Lessee's sole cost and expense.

*Insurance*. Prior to commencement of any Work, Lessee shall deliver, or cause to be delivered the applicable certificates of Insurance and endorsements evidencing satisfaction of the insurance requirements set forth within the Ground Lease which must be maintained, at Lessee's sole cost and expense, at all times when Work is in progress.

*Performance and Payment Bonds*. Prior to commencement of any Work, Lessee shall cause the Contractor to provide, performance and payment bonds in an amount equal to the value of the Construction Contract for the purpose of securing performance of the Contractor's Work and obligation to pay for all labor and materials in connection with the Work. The bonds shall include a multiple obligee rider and name Lessee as the primary obligee, and Lessor, Developer, Issuer, and Bond Trustee as additional obligees. The bonds must be issued by a surety or an insurance company authorized to issue bonds in the State that is rated in the top two categories by two of the three nationally recognized rating agencies, or at least "A" or better and "Class VIII" or better according to A.M. Best's Financial Strength Rating and Financial Size Category.

*Project Management Plan*. With respect to any Work that may be proposed after the Final Completion Date, Lessor shall have the right, but not the obligation to require that Lessee provide, or cause to be provided, a Project Management Plan for Lessor's review, comment and approval. Upon approval, the Project Management Plan may not be amended, restated, modified, supplemented and/or waived without the prior written consent of the Parties in each instance (such consent not to be unreasonably withheld, conditioned or delayed). Notwithstanding any provision to the contrary, in no event shall Lessor be responsible or liable for any obligations, undertakings or liabilities set forth in the Project Management Plan that Lessor has not expressly undertaken under the terms of the Ground Lease.

*Pre-Conditions to Commencement*. No Work of any kind shall be commenced on, and no building or other materials shall be delivered to the Premises until: (1) Lessee or Lessee's Agents shall have given to Lessor written notice of the proposed commencement date of Work, in order to permit Lessor to take all necessary actions under California Civil Code Section 8444; (2) Lessor shall have received and approved (such approval not to be unreasonably withheld), Lessee's written Schedule of Performance for completion of the Work which must show the projected date of Substantial Completion; and dates and durations, if any, during which Work will be suspended for any reason; (3) Lessor shall have received and approved Lessee's written Project Management Plan, if applicable for completion of the Work; and (4) Lessor shall have approved the Work or issued a notice to proceed with the Work.

*Payment of Bills for Construction*. Lessee covenants and agrees to pay or cause to be paid, as a construction cost, currently as they become due and payable in accordance with the terms of any Construction Documents and the Bond Documents, all bills for labor, materials, insurance, and bonds, and all fees of architects, engineers, contractors, and subcontractors and all other costs and expenses incident to any Work in or on the Premises; provided, however, that Lessee may, in good faith, in its own name, dispute and contest any such bill, fee, cost, Lien or expense, and in such event, any such item need not be paid until adjudged to be valid. Unless so contested by Lessee, Lessee shall pay all such items within the time provided by law, and if contested, any such item shall be paid before the issuance of an execution on a final judgment with respect thereto. Any such contest shall be prosecuted with due diligence, and Lessee shall promptly pay (or cause payment of) the amount as finally determined, together with all interest and penalties payable in connection therewith. Notwithstanding any provision of this section to the contrary, Lessee shall pay or bond any amount which it might otherwise be entitled to contest if a lien is filed with respect to such amount. If Lessee refuses to pay or bond any such amount, Lessor may (but shall not be obligated to) make such payment or bond and Lessee shall reimburse Lessor on demand for all such amounts.

*Payments and Lien Releases*. Lessee will provide Lessor with copies of each application for payment submitted by Contractors, each certificate of payment issued by the Architect prior to payment thereof and evidence of payment of each such Application for Payment. In addition to the payment procedure described in the Loan Agreement, Lessee shall include, or cause its Agents to include as part of any submittal to Lessor of applications for payment, conditional lien waivers pending construction payments to contractor, subcontractors, and material suppliers, and unconditional lien waivers for all prior construction payments that have been made to contractor, subcontractors, and material suppliers.

*All Liens and Rights are Subordinate to Lessor*. Lessee's rights, as well as the rights of anyone else, including the rights of the Issuer, and/or another permitted Leasehold Deed of Trust Trustee, or any mortgagee, architect, independent contractor, assignee, sublessee, subcontractor, prime or general contractor, mechanic, laborer, materialman, or other lien or claim holder, shall always be and remain subordinate, inferior, and junior to Lessor's title, interest, and estate in the Leased Land. Except as otherwise expressly permitted under the Lease, Lessee shall not create or permit to be created or to remain and shall promptly discharge or bond over, any Lien that might, or does, constitute a lien, encumbrance, or charge upon the Premises, or any part thereof, or the income therefrom, having a priority or preference over or ranking on a parity with the estate, rights, or interest of Lessor in the Leased Land or any part thereof, or the income therefrom. Nothing in the Ground Lease shall be deemed or construed in any way as constituting the consent or request of Lessor, express or implied, by inference or otherwise, to the filing of any Lien against the Series 2026 Project and/or the Leased Land by any contractor, subcontractor, laborer, materialman, architect, engineer, or other Person for the performance of any labor or the furnishing of any materials or services for or in connection with the Series 2026 Project, the Leased Land or any part thereof.

*Reports and Information*. Lessee or its Agents shall provide or otherwise make available for review at the main construction office within the Licensed Land, the location of which is depicted on Exhibit B-2 attached to the Ground Lease and incorporated herein by this reference, copies of all material documents, meeting minutes, and material correspondence provided to or generated in connection with the performance of the Work including those related to the progress of the Work and satisfaction of the items in the Schedule of Performance. Lessee shall provide, or cause Lessee's Agents to provide, Lessor with copies of progress reports, including any updates to the Schedule of Performance, on or before the tenth ($10^{th}$) day of each month during the course of the Work in a form reasonably satisfactory to Lessor demonstrating compliance with the requirements of the Ground Lease for the previous month.

Such reports shall include a report reasonably satisfactory to Lessor as to whether Lessee has knowledge of the presence of any Hazardous Substances on the Premises in violation of Applicable Law, whether or not by accident, Lessee shall notify, or cause Lessee's Agents, to notify Lessor in writing of such presence of Hazardous Substances. Upon Lessor's request, Lessee or its Agents shall deliver or cause to be delivered to Lessor copies of all soil reports, surveys, Hazardous Substance reports, feasibility studies, and other similar written materials prepared for Lessee pursuant to the Construction Documents with respect to the Leased Land within ten (10) days after receipt by Lessee.

*Meetings*. Lessor may attend and observe routine meetings concerning the design or construction of the Work. Upon Lessor's request therefor, but not less frequently than two times per month after the commencement of the Work, Lessee shall meet, or cause Lessee's Agents to meet with Lessor to review and discuss the progress of the Work.

*Monitoring.* Subject to compliance with applicable construction safety protocols and safety procedures established by Lessee or its Agents and in addition to the rights of the Approving Agency, Lessor shall be afforded reasonable access to the Premises during the performance of any Work for purposes of inspecting, monitoring, observing, making inquiries, and taking samples of materials for testing as may be necessary to evaluate the physical characteristics of the Work as well as such other matters as Lessor deems to be reasonably necessary for Lessor to determine Lessee's compliance with the requirements of the Construction Documents and performance of Lessee's obligations; provided, however, in no event shall any such inspection, monitoring, observation, inquiry or testing unreasonably interfere with construction activities. The Parties expressly understand and agree that: (i) any such activities by Lessor shall not relieve Lessee of its responsibility for performing the Work pursuant to and substantially in accordance with the Construction Documents; (ii) failure of Lessor to engage in any such activities (including, but not limited to, making any on-site inspection or conducting testing) shall not limit or be construed to limit any of Lessor's rights, powers or remedies under the Ground Lease, nor shall such failure to engage in any such activities (including, but not limited to inspection or conducting testing) be deemed an approval of any activity or work; and (iii) no action by Lessor shall be deemed to be confirmation that the Work shown in the Plans and Specifications complies with Applicable Laws except to the extent such confirmation is expressly provided by the Approving Agency.

*Material Change Orders*. Lessor's approval shall be required for all Material Change Order Requests. All Material Change Order Requests shall be specifically noted, in writing, in the cover sheet of a submittal from Lessee (or Developer on behalf of Lessee) to Lessor containing the proposed Material Change Order Request. Lessor shall approve or disapprove any Material Change Order Request requiring Lessor's approval within five (5) Business Days after Lessor's receipt of the proposed Material Change Order Request; provided, however, if Lessor fails to respond within such five (5) Business Day period, Lessee (or Developer on behalf of Lessee) shall send a second notice to Lessor by electronic mail to Lessor's Representatives (and/or such other parties as may be specified to Lessee by Lessor, from time to time) which notice shall state, in **CAPITALIZED, BOLD-FACED, 12-POINT TYPE THAT: "FAILURE TO RESPOND TO THIS NOTICE OF PROPOSED CHANGE WITHIN 3 BUSINESS DAYS SHALL RESULT IN LESSOR'S DEEMED APPROVAL OF SUCH CHANGE**". If Lessor does not provide Lessee with written notice of the action taken by Lessor on the Material Change Order Request within such three (3) Business Day period, Lessor shall be deemed to have approved the requested Material Change Order Request. If Lessor disapproves any Material Change Order Request requiring Lessor's approval, then, within three (3) days of such disapproval, Lessor, Lessee and any Agents (including, but not limited to, Developer) that it may require or deem necessary, shall, in good faith, meet and confer in an effort to resolve any Lessor's objections. For the avoidance of doubt, Lessor shall have no right to approve or withhold approval of any changes that are required by any governmental, quasi-governmental or regulatory authority as a condition to obtaining any approvals, permits, licenses or other consents or authorizations from such governmental, quasi-governmental or regulatory authority. Lessor will not unreasonably withhold its approval of proposed Material Change Order Requests.

*Construction Documents*. All contracts and subcontracts involving the Work shall specifically provide that the contractor and subcontractor(s) agree to indemnify, defend (with counsel reasonably acceptable to Lessor) and hold Lessor harmless from any claims, damages, costs (including reasonable attorneys' fees), liability or loss arising from personal injury, death or property damage resulting from the willful or negligent acts, errors, or omissions of the contractor or subcontractor(s) as the case may be. No contracts and subcontracts involving the Work may contain provisions purporting to shorten the statutory limitations period for commencing any action, including actions for recovery due to patent and latent design or construction defects. Lessee will include, and require its agents to include, the foregoing indemnification obligation as well as all other applicable requirements of the Construction Documents in any contracts and subcontracts involving the Work performed on the Premises or the Campus to ensure such contractors comply with the Campus rules for construction site access, safety, work hours and other customary items included in the Construction Documents or Project Management Plan, as applicable. All matters of ingress, egress, haul routes, laydown areas, construction activity and disposition of excavated material in connection with the Ground Lease shall be subject to the Construction Documents or Project Management Plan, as applicable.

*Standard of Work*. Work shall be designed, constructed, and performed in a good and workmanlike manner. All building materials for the Work and any Offsite Elements shall be of good quality and substantially in accordance with the approved Plans and Specifications.

*Correction of Non-Conformance*. In addition to the rights of the Approving Agency, Lessor may reject any Work which does not substantially conform to the approved Construction Documents or with Applicable Law. Lessee shall, at Lessor's request and at its sole cost and expense, correct or cause its Agents to correct with reasonable promptness, any Work that is not in substantial conformity with the Construction Documents.

*Substantial Completion*. When Lessee deems it has achieved completion of Work requiring Plans and Specifications, other than Punch List Items for any one or more of the buildings comprising the Series 2026 Project, Lessee shall cause or cause its Agents to provide Lessor with a certificate of Substantial Completion signed by the Architect of record for the associated Work. The certificate of Substantial Completion may be in the form of AIA Document G704 certificate of Substantial Completion or other customary construction industry form. When Lessee determines that it or its Agents have achieved completion of all Work including any Punch List Items, Lessee shall cause or cause its Agents to provide Lessor and the Approving Agency with a final certificate of payment issued by the Architect in accordance with the Construction Documents.

*Notice of Completion*. Within thirty (30) days after the Approving Agency issues a Final Certificate of Occupancy for the last portion of the Work, Lessee shall file or cause its Agents to file on behalf of Lessee (as Owner) a notice of completion as defined and provided for in California Civil Code Sections 8180 through 8190.

*Deliverables Following Completion*. As soon as practicable, but no longer than four (4) calendar months after the Substantial Completion of the applicable Work, with respect to any Work requiring Plans and Specifications, Lessee shall furnish, or cause its Agents to furnish, to Lessor: (1) Two complete sets of final record document plans and specifications of the completed Work in AutoCAD format, and two "as-built" documents to be in redlined PDF format; (2) A narrative summary prepared by the Architect describing material changes in the Work that differ from the approved Plans or Specifications; (3) Two current, accurate, properly labeled "as-built" ALTA survey, prepared and certified by a California registered land surveyor or professional engineer, depicting to scale the location of the completed Work, as constructed; and (4) One complete set of operations and maintenance manuals for all Essential Operating Systems, equipment, and Personalty relating to the Work.

*Non-Responsibility*. Lessor shall not be deemed to have incurred or assumed any obligation or responsibility in connection with any Work performed on the Premises regardless of any approvals which Lessor may have made. Nothing in the Ground Lease nor any act or failure to act on the part of Lessor shall be construed as a warranty or representation as to the adequacy or fitness of the Premises, the Campus, or any Work, or as a waiver of a claim by Lessor for any defect or deficiency with respect to the any aspect of the Work.

**Damage and Destruction**

Subject to the Ground Lease Article titled "Insurance," the following provisions apply upon the occurrence of a casualty event:

*Insured Risk*. If, after Substantial Completion and during the Term the Series 2026 Project is wholly or partially damaged or destroyed by a risk covered by insurance, or required to be covered by insurance under any term of the Ground Lease, Lessee will promptly give written notice of such damage or destruction to Lessor, the Bond Trustee, and the Issuer. Such damage or destruction will not terminate the Ground Lease, and Lessee will, to the extent of the sum of (i) the funds, if any, in the Repair and Replacement Fund and (ii) the Net Proceeds, promptly repair and restore the Series 2026 Project to substantially the same floor area and nature as existed immediately prior to such damage or destruction unless Lessor gives its prior written approval to do otherwise, which approval for the Series 2026 Project may be withheld in Lessor's sole and absolute discretion. Such restoration will be commenced promptly and prosecuted with due diligence. Lessor will cooperate with Lessee in the procurement and issuance of all necessary permits, licenses, and approvals to commence and complete such restoration, provided that it will incur no expense in or cost in doing so.

*Restoration Feasibility***.** Notwithstanding any other provisions of the "Insured Risk" provision of the Ground Lease, described above, if the Series 2026 Project is wholly or partially damaged or destroyed, and Net Proceeds exceed $1,000,000, the provisions of this section will apply: Within thirty (30) days of the loss, Lessee will employ an independent financial consultant acceptable to Lessor and Bond Trustee, which financial consultant will determine the following matters ("Feasibility Tests"):

(i) Whether or not the Net Proceeds, together with, the funds, if any, in the Repair and Replacement Fund; any additional funds which Lessee is willing to contribute; any funds which can obtained through the financing contemplated in the "Subordinate Financing" provision of the Ground Lease, described below; and any funds which are otherwise available, are sufficient to repair, reconstruct, restore, or replace the damage or destruction.

(ii) Whether or not the proceeds from any rental interruption insurance (or similar insurance), together with any other funds which are or will be available to Lessee, are sufficient to satisfy Fixed Charges and anticipated Operating Expenses during the period of repair, reconstruction, restoration or replacement.

(iii) Whether or not, after the repair, reconstruction, restoration, and replacement of the damage or destruction has been completed, the Operating Budget (prepared in accordance with Series 2026 Ground Lease) will result in a Fixed Charges Coverage Ratio equal to or greater than 1.20, taking into particular account (1) the feasibility of the Occupant Rental Rates necessary to achieve such Operating Budget, and (2) the Fixed Charges resulting from the use of any of the sources of funds listed in (i), above.

The financial consultant will be required to submit its determinations in a written report to Lessee, Lessor, and the Bond Trustee within ninety (90) days of the loss.

If the financial consultant makes an affirmative determination as to each of the three Feasibility Tests, then Lessee will promptly proceed to repair and restore the Project as provided for in the "Insured Risk" provision of the Ground Lease, described above.

If the financial consultant makes a negative determination as to any one of the three Feasibility Tests, then Bond Trustee, after notice to and consultation with Lessee and Lessor, may direct whether the Net Proceeds (if any) will be used to prepay all or a portion of the outstanding Bonds. If such direction is not given within thirty (30) days after the financial consultant renders its report, Lessor will then make such election, which election will be made within sixty (60) days of the financial consultant rendering its report. If Bond Trustee directs, or if Lessor elects to use such Net Proceeds to prepay all or a portion of the outstanding Bonds, and if no other amounts are owed and payable under the Indenture, the Lease will terminate, and the termination provisions of the Ground Lease will apply. If the Bond Trustee directs or the Lessor elects to prepay a portion of the outstanding Bonds and, after such repayment, there are Bonds which remain outstanding, or other amounts are owed and are payable under the Indenture, the Lease will remain in effect, and Lessee will continue to operate the undamaged portions of the Project.

*Damage During Last Five Years*. During the last five years of the Term:

If the Series 2026 Project is partially damaged or destroyed by a risk covered by insurance or required to be covered by insurance under any term of the Ground Lease, Lessee may, subject to Lessee's obligations, if any, under the Loan Agreement, and approval by Lessor, elect not to restore the Series 2026 Project as otherwise required by the Section titled Insured Risk. To the extent that Lessee so elects, then Bond Trustee, after notice to and consultation with Lessee and Lessee, may elect whether the Net Proceeds (if any) shall be used to prepay all or a portion of the outstanding Bonds. If Bond Trustee directs, or if Lessor elects to use such Net Proceeds to prepay all of the outstanding Bonds, and if no other amounts are owed and payable under the Indenture, the Lease shall terminate, and the provisions of Ground Lease Section titled Procedure Upon Termination shall apply. If Bond Trustee directors, or Lessor elects to prepay a portion of the outstanding Bonds and, after such repayment, there are Bonds which remain outstanding or other amounts are owed and payable under the Indenture, the Lease shall remain in effect and Lessee shall continue to operate the remaining undamaged portions of the Series 2026 Project.

If the Series 2026 Project is wholly damaged or destroyed by a risk covered by insurance, or which is required to be covered by insurance under any term of the Ground Lease, either Lessee or Lessor may elect not to restore the Series 2026 Project as otherwise required by the Section titled Insured Risk. The Ground Lease shall terminate, and the provisions of Ground Lease Section titled Procedure Upon Termination shall apply.

Procedure Upon Termination. If the Lease is terminated by an election made by the Bond Trustee to prepay all or a portion of the outstanding Bonds, or by an election made by the Lessee or Lessor to not restore the Series 2026 Project, the following provisions will apply:

(i) Lessee will be obligated, to the extent of the sum of the Net Proceeds, to immediately demolish the Series 2026 Project, at its cost and expense. However, Lessee will not demolish the Series 2026 Project if Lessor notifies Lessee that it is not to be demolished.

(ii) Net Proceeds will first be applied to pay the Leasehold Deed of Trust Trustee (or, if required by the Indenture, the Bond Trustee), the amount then owing under the Bonds; they will next be applied as follows:

(iii) If Lessee elects or the Bond Trustee directs to not restore the Series 2026 Project, and Lessor elects not to have the Series 2026 Project demolished, Net Proceeds remaining after the aforementioned payment to the Leasehold Deed of Trust Trustee (or Bond Trustee) will be paid to Lessor.

(iv) If Lessee elects or the Bond Trustee directs not to restore the Series 2026 Project, and Lessor elects to have the Series 2026 Project demolished, the Net Proceeds remaining after payment of all amounts owing to any Leasehold Deed of Trust Trustee will be held in a mutually acceptable escrow.

*Uninsured Risk*. If during the Term, the Series 2026 Project is wholly damaged or destroyed by a risk not required to be insured under the Ground Lease, Lessee will promptly give written notice of such damage or destruction to Lessor detailing facts that qualify the casualty under this provision, and Lessee will restore the Series 2026 Project, unless both (i) the reasonable estimate of the cost for restoration is more than the amount then in the Repair and Replacement Fund, and (ii) Lessee elects not to restore. If both of these conditions have been met, Lessee will demolish the Series 2026 Project unless Lessor has given notice to Lessee that the Series 2026 Project is to remain, and the Lease will terminate. If during the Term, the Series 2026 Project is partially damaged or destroyed by a risk not required to be insured under the Ground Lease, Lessee will promptly give written notice of such damage or destruction to Lessor detailing facts that qualify the casualty under this provision, and to the extent of (i) the amount in the Repair and Replacement Fund, and (ii) additional amounts, if any, which Lessee elects to borrow, restore the Series 2026 Project to the maximum usable square feet.

*Subordinate Financing***.** Notwithstanding anything to the contrary contained in the Ground Lease, if Lessee determines in Lessee's reasonable discretion that the Net Proceeds from insurance or condemnation awards are not sufficient to repair, replace, rebuild, restore and/or re-equip the Series 2026 Project, to substantially the same condition that existed prior to the taking or the event that caused such damage, and if Lessee will elect (subject to its obligations under the Loan Agreement) to repair, replace, rebuild, restore and/or re-equip the Series 2026 Project, then Lessee will have the right to obtain financing which will be subordinate to the Ground Lease in order to repair, replace, rebuild, restore and/or re-equip the Series 2026 Project, which financing may be secured by lien and/or leasehold deed of trust on Lessee's Interest and/or the Series 2004 Project, the Series 2008 Project and the Series 2011 Project, provided that (a) no such financing will extend beyond the Term and (b) no such financing will result in a Fixed Charges Coverage Ratio of less than 1.20. Lessor will execute such consents or other documents as will be reasonably required for such subordinate financing.

*Bond Documents***.** Notwithstanding anything else contained in the Ground Lease, the provisions of the Bond Documents will control in all respects the receipt, handling, and application of any and all casualty proceeds with respect to Lessee's Interest, it being acknowledged and agreed that the Issuer, the Bond Trustee, and any other permitted Leasehold Deed of Trust Trustee, as their respective interests may appear, will have a first and prior security interest therein.

**Condemnation—General Rights and Obligations**

If, during the Term, the Series 2026 Project and/or Leased Land, or any portion thereof or interest therein, will be appropriated, taken or damaged by reason of the exercise of the power of eminent domain, whether by condemnation proceedings or otherwise, or any transfer thereof will be made in avoidance of an exercise of the power of eminent domain (all of the foregoing being hereinafter referred to as a "Taking"), the rights and obligations of Lessor and Lessee with respect to said Taking will be as hereinafter provided in the "Condemnation" provision of the Ground Lease, described herein.

*Full Taking.* In the event of the Taking of all of Leased Land or all of the Series 2026 Project ("Full Taking"), the Ground Lease will terminate as of the date on which title vests in the condemning authority, and Lessee will thereupon be released from any liability thereafter accruing under the Ground Lease with respect thereto.

*Partial Taking***.** In the event any portion of Leased Land or any portion of the Series 2026 Project will be taken or all of the Leased Land or Project will be temporarily taken (collectively, "Partial Taking"), the Ground Lease will continue in full force and effect except as hereinafter provided in the "Economic Viability" provision of the Ground lease, described below.

*Economic Viability.* If (i) Lessee and Lessor will jointly determine that the remainder of the Leased Land, or the remainder of the Series 2026 Project, or the remainder of the Term, or any interest in them, after application of Lessee's award to the restoration of the Series 2026 Project as required in the "Taking Without Termination" provision of the Ground Lease, described below, would not, because of the Partial Taking, constitute an economically viable project of the type contemplated by the Lease, or, (ii) in the event Lessee and Lessor will disagree and an arbitration under the "Dispute Resolution" provision of the Ground Lease, described below, will determine that, because of such Partial Taking, such economic viability could not be achieved, then the Ground Lease will terminate as of the date of the Partial Taking with the same results as above described in the case of a Full Taking, and Lessee will demolish and remove the remaining portion of the Series 2026 Project, at its expense, to the extent possible using the Net Proceeds, unless instructed not to do so by Lessor.

*Taking Without Termination*. In the event of any Taking which does not result in the termination of the Ground Lease in accordance with the foregoing, then: (i) each party to the Ground Lease will be entitled to prosecute claims in such condemnation proceedings for the value of their respective interests, and (ii) Lessee will, to the extent of its receipt of any award, with due diligence following the Taking, commence all work required to remedy any physical damage done by such Taking to restore the Series 2026 Project for the continuation of the use being made thereof prior to such Taking, and thereafter prosecute the same to completion with all due diligence, subject to the "General Conditions of Work" provision in the Ground Lease, construed for such purpose, to apply to work occurring after the initial construction of the Series 2026 Project.

*Taking With Termination***.** In the event of any Taking which results in the termination of the Lease in accordance with the foregoing, each party to the Ground Lease will be entitled to prosecute claims in such condemnation proceedings for the value of its respective interest.

*Bond Documents*. Notwithstanding anything else contained in the Ground Lease, the provisions of the Bond Documents will control in all respects the receipt, handling, and application of any and all condemnation proceeds with respect to Lessee's Interest, it being acknowledged and agreed that the Issuer, the Bond Trustee, and any other permitted Leasehold Deed of Trust Trustee, as their respective interests may appear, will have a first and prior security interest therein.

**Estoppel Certificates**

*Execution and Delivery*. No later than ten (10) Business Days following receipt of written request therefor, Lessor and Lessee will execute, acknowledge and deliver to the other promptly upon request, a certificate reasonably satisfactory to the recipient certifying as to validity of the Ground Lease; the Effective Date, the Rent Commencement Date, the Termination Date, or other material date under the Ground Lease; payment of rent, amount of rent due; defaults by Lessee; and such other matters as may be reasonably requested by the requesting Party.

*Reliance on Certificates*. Certificates from Lessor and Lessee pertaining to the same matters may be relied upon by the Parties and their affiliates, the Bond Trustee, any prospective Leasehold Deed of Trust Trustee, any prospective assignee of an interest under the Ground Lease, or by any prospective sublessee as to all or any portion of the Series 2026 Project.

**Lessor's Access**

Lessor, its authorized representatives, agents, employees, and attorneys may, but shall be under no duty to, enter the Leased Land (including the Series 2026 Project) at reasonable times and hours, subject to the rights of occupants in possession, if any, to inspect the Leased Land (including the Series 2026 Project) in order to determine whether Lessee is complying with its undertakings, duties, and obligations under the Ground Lease, to make such necessary repairs, additions, improvements, changes, or alterations to the Leased Land (including the Series 2026 Project) as Lessor may elect to make in accordance with the terms and provisions of the Ground Lease (Lessor agrees to provide five (5) days' written notice of its intent to make such necessary repairs, additions, improvements, changes, or alterations to the Leased Land (including the Series 2026 Project), except in the case of an emergency where no such prior notice shall be required), and to exhibit the same to prospective purchasers, operators, mortgagees, or lessees of the Leased Land. Such entry, inspection, and repairs, additions, improvements, changes, or alterations as Lessor may make of the Leased Land (including the Series 2026 Project) shall not constitute an eviction of Lessee in whole or in part, and the Rent shall in no way abate by reason of loss or interruption of the business of Lessee or otherwise while such work is being done. Lessor agrees to employ its reasonable efforts to minimize any interruption to the business operations of Lessee resulting from Lessor's (or its designated representatives') work in or on the Leased Land (including Series 2026 Project). Nothing contained within the Ground Lease, however, shall be deemed or construed to operate as a limitation upon the authority of the Approving Agency to access or inspect the Leased Land (including the Series 2026 Project), or impose upon Lessor any obligation or liability whatsoever for care, supervision, repair, improvement, additions, improvement, change, or alteration to the Leased Land (including the Series 2026 Project) other than as expressly provided in Ground Lease Article titled University Services.

**Dispute Resolution**

Except as otherwise provided in the Ground Lease Article titled Dispute Resolution, at any time following the receipt by one Party of a written notice from the other Party of a Dispute, the receiving Party may require that an authorized representative of each Party (each with authority to settle) meet, confer, and attempt to resolve such Dispute. If the Dispute is not resolved during such meeting or within five (5) Business Days thereafter, neither Party may seek arbitration under the Ground Lease Article titled Dispute Resolution unless the Dispute is first subjected to mediation. This requirement for mediation may only be waived in a written instrument.

Disputes not resolved through negotiation shall be subject to mandatory mediation. A request for mediation shall be filed in writing by a Party with the other Party, and the Parties shall promptly attempt to mutually agree upon a mediator. If the Parties have not reached agreement on a mediator within five (5) days of the request, either Party may file the request with JAMS Irvine, California, with a copy to the other Party, and the mediation shall, unless another location is mutually agreed upon, be administered by JAMS and held in Irvine, California by a single mediator having demonstrated expertise regarding the subject of the Dispute and appointed in accordance with JAMS Rules. Mediation shall proceed in advance of arbitration, which shall be stayed pending mediation unless stayed for a longer period by agreement of the Parties or court order. The Parties to the mediation shall share the mediator's fee and any filing fees equally. Representatives of the Parties must attend the mediation session in person with authority to settle the dispute and with authority to adjust pre-existing settlement authority if necessary. To the extent there are other parties in interest, such as the architect, insurers, contractors or subcontractors, their representatives, also with authority to settle the dispute and to adjust pre-existing settlement authority if necessary, shall also attend the mediation session in person. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

Either party will have the right to submit any dispute under the Ground Lease to arbitration, except in those situations where the Lessor is acting in its role as Approving Agency for the Series 2026 Project (as such term is defined in the Ground Lease); provided however, this option is available only upon completion of the negotiation and mediation procedures set forth in the Ground Lease Article titled Dispute Resolution. Unless otherwise agreed upon by the parties, such arbitration will be conducted as follows: The party demanding arbitration will give written notice of its demand to the other party stating the subject matter of the dispute and the name and address of a qualified person to act as its arbitrator. Within 15 days after the receipt of such notice, the receiving party will give notice to the demanding party stating the name and address of a qualified person to act as its arbitrator. The two arbitrators named by the parties must be experienced in the field of the matter in dispute. If within 30 days following the appointment of the latter of the arbitrators, they are unable to agree in respect of the matter in dispute, they will appoint by instrument in writing as a third arbitrator a similarly qualified person, who will proceed with the two arbitrators first appointed to determine the matter in dispute. The Developer will be given notice of and an opportunity to participate in any arbitration which may affect its interests under the Development Agreement relating to the Series 2026 Ground Lease.

If within thirty (30) days following the appointment of the latter of the arbitrators, they are unable to agree in respect of the matter in dispute, they shall appoint by instrument in writing as a third arbitrator a similarly qualified person, who shall proceed with the two arbitrators first appointed to determine the matter in dispute. The written decision of any two of the arbitrators shall be binding and conclusive upon the Parties hereto. If either Party fails to appoint an arbitrator or if the two arbitrators fail to agree within the above-specified periods and, upon such failure, fail to appoint a third arbitrator, the appointment shall be made by the then Presiding Judge of the Superior Court of the State of California in and for the County of Orange acting in his/her individual and nonofficial capacity on the application of either Party and on ten (10) days' notice to the other Party; provided that either Party may, by notice given before commencement of the arbitration hearing, consent to arbitration by the arbitrator appointed by the other Party. In that event, no further appointment of arbitrators shall be made and any other arbitrators previously appointed shall be dismissed.

**Events of Default Defined**

The following will be "Events of Default" under the Ground Lease, and the terms "Event of Default" or "Default" will mean any one or more of the following events:

(a) Subject to the provisions of the Ground Lease, Lessee will fail to pay the Rent at the times specified in the Ground Lease and such failure will continue for fifteen (15) days after written notice thereof from Lessor.

(b) Lessee will fail to correct any Operating Deficiency within the periods provided for in the "Failure to Meet Standards of Operation" provision of the Ground Lease, described above.

(c) Except to the extent of delay caused by Force Majeure, Lessee shall fail to either (i) diligently pursue completion of the Series 2026 Project and the Offsite Elements, which may be evidenced by a stoppage of Work of a duration and nature reasonably likely to delay Substantial Completion beyond the Substantial Completion Date, or (ii) achieve Substantial Completion of the entire Series 2026 Project by March 21, 2029, unless extended by Lessor, in its sole discretion.

(d) Except to the extent of delay caused by Force Majeure, Lessee will fail to perform or cause to be performed any other term, covenant, condition, or provision of the Ground Lease, other than as referred to in the "Events of Default and Remedies" provision of the Ground Lease, described herein, and to correct such failure within thirty (30) days after written notice specifying such failure is given to Lessee by Lessor. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of Lessor, it will not constitute an Event of Default if corrective action is instituted by Lessee within the applicable period and diligently pursued until the failure is corrected.

(e) Lessee will be adjudicated bankrupt.

(f) A permanent receiver will be appointed for Lessee's interest in the Premises and such receiver will not be removed within ninety (90) days after notice from Lessor to Lessee to obtain such removal.

(g) Lessee will voluntarily take advantage of any debtor relief proceedings under any present or future law whereby the Rent or any part thereof will be reduced or payment thereof deferred or will become subject to any such involuntary proceedings and said involuntary proceedings will not be dismissed within ninety (90) days after notice from Lessor to Lessee to obtain such dismissal.

(h) Lessee will make a general assignment for benefit of creditors.

(i) The Premises or Lessee's effects or interests therein will be levied upon or attached under process against Lessee, and the same will not be satisfied or dissolved within ninety (90) days after notice from Lessor to Lessee to obtain satisfaction or dissolution thereof.

(j) A default by Lessee shall have occurred and continued beyond any applicable notice and cure periods under any of the Construction Documents.

(k) An event of default shall have occurred pursuant to any of the Bond Documents and the Trustee shall have provided written notice of such event of default and its intent to exercise its remedies pursuant to the Bond Documents.

(l) An Event of Default, as defined in the Series 2004 Ground Lease, will have occurred under the Series 2004 Ground Lease and will have continued beyond all applicable cure periods.

(m) An Event of Default, as defined in the Series 2008 Ground Lease, will have occurred under the Series 2008 Ground Lease and will have continued beyond all applicable cure periods.

(n) An Event of Default, as defined in the Series 2011 Ground Lease, will have occurred under the Series 2011 Ground Lease and will have continued beyond all applicable cure periods.

(o) An Event of Default, as defined in the Series 2017 Ground Lease, will have occurred under the Series 2017 Ground Lease and will have continued beyond all applicable cure periods.

(p) An Event of Default, as defined in the Series 2021 Ground Lease, will have occurred under the Series 2021 Ground Lease and will have continued beyond all applicable cure periods.

**Remedies**

Subject to the provisions of the Ground Lease Sections titled Notice and Right to Cure, Additional Cure, Limitation on Termination Rights of Lessor and Subordination, upon the occurrence of an Event of Default, Lessor may pursue one of the following remedies:

(a) Subject to the written notice to and the rights of the Bond Trustee under the provisions of the Ground Lease Sections titled Additional Cure and Limitation on Termination Rights of Lessor below terminate the Ground Lease immediately upon written notice thereof to Lessee, and thereafter, without legal process, enter upon and take possession and control of the Series 2026 Project and the Leased Land to the complete exclusion of Lessee. Lessor may also demand, collect, and retain all rents due from Persons occupying the Series 2026 Project, and Lessor may otherwise treat and occupy the Series 2026 Project, the Leased Land as if the Series 2026 Ground Lease had expired of its own limitation. The failure of Lessor to exercise such rights after one or more Events of Default shall not be a waiver of the rights of Lessor upon the occurrence of any subsequent Event of Default; or

(b) As Lessee's legal representative, without terminating the Ground Lease, re-let the Series 2026 Project and the Leased Land upon obtaining the written consent of any Bond Trustee. Such re-letting may be accomplished without advertisement and by private negotiations for such term or terms and at such rental or rentals as Lessor in its sole discretion may deem proper and advisable, with the right to make alterations and repairs to the Series 2026 Project. Upon each such reletting:

(i) Subject to the limitations in the "Limitation of Liability" provision of the Ground Lease, Lessee will be immediately liable to pay to Lessor, in addition to any sums due under the Ground Lease, the reasonable cost and expenses of such reletting and of such alterations and repairs incurred by Lessor; and

(ii) Subject to applicable law, rents received by Lessor from such reletting will be applied: First, to the payment of any costs and expenses of such re-letting and of such alteration and repair; Second, to the payment of Rent due and unpaid under the Ground Lease; and Third, the residue, if any, will be held by Lessor, in escrow, and (1) applied to the payment of the Rent as the same will become due under the Ground Lease and (2) if any balance will then remain, paid to Lessee at the termination of the Ground Lease. Lessor will in no event be liable to Lessee for any interest on the said residue.

**Holding Over by Lessee**

Lessee shall not use or remain in possession of the Series 2026 Project or the Leased Land after the termination of the Series 2026 Ground Lease. Any holding over, or continued use or occupancy by Lessee after the termination of the Series 2026 Ground Lease, without the written consent of Lessor, shall not constitute a tenancy-at-will interest on behalf of Lessee, but Lessee shall become a tenancy-at-sufferance and liable for all Rent, Additional Rent and all other expenses, obligations and payments in effect for the immediately preceding year of the term of the Series 2026 Ground Lease. There shall be no renewal whatsoever of the Series 2026 Ground Lease by operation of law.

**Extinguishment of Lessee's Rights**

Upon the termination or expiration of the Ground Lease from any cause, all rights and interests of Lessee, and all persons whomsoever claiming by, through or under Lessee (with the exception of the rights of Leasehold Deed of Trust Trustees arising under the "Limitation on Termination Rights of Lessor" provision of the Ground Lease, described below,), will immediately cease and terminate, and the Leased Land and the Series 2026 Project, including all buildings, improvements, Personalty including engines, machinery, generators, boilers, furnaces, elevators, fire escapes, and all lifting, lighting, heating, cooling, refrigerating, air conditioning, ventilating, gas, electric and plumbing apparatus, appliances and fixtures, as well as other fixtures attached to or within the Series 2026 Project and/or the Leased Land, and all personal property of Lessee located thereon, shall thence forward constitute and belong to and be the absolute property of Lessor or Lessor's successors and assigns, without further act or conveyance, and without liability to make such compensation to Lessee or to anyone whomsoever, and free and discharged from all and every lien, encumbrance, claim and charge of any character created or attempted to be created by Lessee at any time. Lessee agrees, at the termination of the Series 2026 Ground Lease, to surrender unto Lessor, all and singular the Leased Land with then existing buildings, other structures and improvements constructed and located thereon and therein, in the same condition as when the construction of such buildings, other structures, and improvements was completed, only natural and normal wear and tear excepted, unless Lessee shall be relieved of Lessee's obligation to repair, reconstruct, restore or replace damaged or destroyed buildings, other structures or improvements pursuant to the "Damage and Destruction" provision of the Ground Lease, described above.

**Condition at Handback**

Lessee agrees to use best efforts to return the Premises to Lessor in the Handback Condition at the conclusion of the Term. Approximately eight (8) calendar years prior to the scheduled expiration of the Term or such other time as the Parties may agree, Lessee shall engage, or cause its Agents to engage, as an Operating Expense, a qualified Architect or engineer to perform a Condition Assessment in conformity with industry standards to determine (i) the current condition and remaining useful life of the Premises structures, Essential Operating Systems and other key elements necessary to satisfy the Handback Condition and (ii) an estimate of the costs to deliver the Premises to Lessor at the expiration of the Term in the Handback Condition. Upon completion of the assessment the Parties shall meet and confer as part of the annual Series 2026 Capital Budget process to determine the sufficiency of revenues or reserves and the schedule for completing any Work for preparing the Premises for surrender at the conclusion of the Term.

**Encumbering the Leasehold**

*Lessor's Consent to Encumber Leasehold.* Lessor consents to Lessee's encumbrance of its interest in the Ground Lease pursuant to the Issuer Deed of Trust. Lessor acknowledges that the Issuer has pledged, assigned and transferred its right, title and interest in and to the Ground Lease to the Bond Trustee pursuant to the Indenture and that the Bond Trustee is vested with all of the rights and benefits accorded the Issuer in the Ground Lease or otherwise.

*General Limitation on Encumbrance*. Except as provided in the "Subordinate Financing" provision of the Ground Lease, described above, and the "Lessor's Consent" provision of the Ground Lease, described above, Lessee, every successor and assign of Lessee, will have no right to encumber its interest in the Ground Lease without Lessor's consent.

*No Modifications*. There will be no cancellation, surrender or modification of the Ground Lease by Lessor or Lessee without the prior written consent of the Leasehold Deed of Trust Trustee. Notwithstanding the foregoing (but, in any event, subject to the Leasehold Mortgagee/Deed of Trust Trustee's rights set forth in the "Encumbering the Leasehold" provision of the Ground Lease, described herein), nothing in the Ground Lease will be deemed to prohibit Lessor from terminating the Ground Lease in accordance with its terms. There will be no material modification in the Leasehold Deed of Trust, the Indenture, or related documentation without Lessor's prior written consent.

*Notice and Right to Cure*. Lessor, upon serving Lessee with any notice of an Event of Default, failure to comply, or termination, will simultaneously serve a copy of such notice on the Leasehold Deed of Trust Trustee. If Lessor will serve Lessee with a notice of a failure to comply with any term, covenant, condition, or provision of the Ground Lease, the Leasehold Deed of Trust Trustee will then have the same period after service of the notice on it as is given to Lessee under the Ground Lease to remedy or cause to be remedied such failure, and Lessor will accept performances by or at the instigation of the Leasehold Deed of Trust Trustee as if it had been done by Lessee. Any notice required to be given to the Leasehold Deed of Trust Trustee will be posted in the United States mail, postage prepaid, certified, return receipt requested (or transmitted by facsimile transmission) and addressed to the Leasehold Deed of Trust Trustee at the address and to the attention of the person designated to Lessor by the Leasehold Deed of Trust Trustee to receive copies of such notices and will be deemed to have been served as of the date the said notice is received or refused by the Leasehold Deed of Trust Trustee.

*Additional Cure*. In addition to the rights granted to any Leasehold Deed of Trust Trustee under the Lease, the Leasehold Deed of Trust Trustee shall have an additional period of ninety (90) days to remedy or cause to be remedied any Event of Default of which they shall receive notice.

*Limitation on Termination Rights of Lessor*. If Lessor will elect to terminate the Ground Lease upon the occurrence of an Event of Default, the Leasehold Deed of Trust Trustee will also have the right to postpone and extend the date of termination as fixed by the provisions of the Ground Lease for a period of not more than six (6) months from the expiration of the ninety (90) day period specified in the "Additional Cure" provision of the Ground Lease, provided that the Leasehold Deed of Trust Trustee will pay the Rent and other charges required to be paid under the Ground Lease during such period, and provided further, that the Leasehold Deed of Trust Trustee of the Ground Lease will forthwith take steps necessary to acquire Lessee's interest and estate in the Ground Lease whether by foreclosure of its Leasehold Deed of Trust, or otherwise, and will prosecute such action to completion with due diligence. If at the end of the six (6) month period, the Leasehold Deed of Trust Trustee of the Ground Lease will be actively engaged in steps to acquire or sell Lessee's interest in the Ground Lease, the time for Leasehold Deed of Trust Trustee to comply with the "Limitation on Termination Rights of Lessor" provision of the Ground Lease, described herein, will be extended for such period as will be reasonably necessary to complete these steps with reasonable diligence and continuity.

*Assignment*. Lessor agrees that in the event of any foreclosure under the Leasehold Deed of Trust, either by judicial proceedings or under power of sale contained therein all right, title and interest encumbered by such Leasehold Deed of Trust may, without the consent of Lessor, be assigned to and vested in the purchaser at such foreclosure sale subject and subordinate, however, to the rights, title and interests of Lessor; and, notwithstanding that Lessor's consent to said assignment shall not have been obtained, any such assignee shall be vested by virtue of such assignment with any and all rights of the party whose estate was encumbered by such Leasehold Deed of Trust as though Lessor had consented thereto.

*Deed of Trust Trustee Leases*. Lessor agrees that in the event of a termination of the Ground Lease by reason of any Event of Default, and subject to the rights granted in the Ground Lease to the Leasehold Deed of Trust Trustee, the Leasehold Deed of Trust Trustee will have the option, but not the obligation, to enter into a Deed of Trust Trustee Lease (or appoint a designee to enter into a Deed of Trust Trustee Lease); provided: (1) the Leasehold Deed of Trust Trustee shall enter into a Deed of Trust Trustee Lease on the same terms within the six (6) month period specified in the Ground Lease Article titled Encumbering the Leasehold; (2) the Leasehold Deed of Trust Trustee shall perform and observe all covenants contained in the Deed of Trust Trustee Lease on Lessee's part to be performed during such period of time commencing with the date of the execution of the Deed of Trust Trustee Lease and terminating upon the abandonment or surrender of possession of the Leased Land under the said Deed of Trust Trustee Lease; and (3) the Leasehold Deed of Trust Trustee, as lessee under the Deed of Trust Trustee Lease, shall have the same right, title, and interest in and to the Leased Land and the right to use the buildings and improvements thereon as Lessee had under the Ground Lease.

*Non-Subordination*. Lessee's rights, as well as the rights of anyone claiming under Lessee, shall always be and remain subordinate, inferior, and junior to Lessor's title, interest, and estate in the Leased Land. Lessor's reversionary interest in the Series 2026 Project and Lessor's interest in the Ground Lease shall be superior and prior in interest to any loans, mortgages, deeds of trust, other leases, liens and encumbrances that may hereafter be placed on the Series 2026 Project, the Leased Land, or any part thereof, by, against or as a result of the acts of Lessee or anyone deriving any interest in the Series 2026 Project, the Leased Land, or any part thereof or interest therein, through Lessee. Any loan, mortgage, deed of trust, lease, lien or encumbrance placed by Lessee on the Series 2026 Project, the Leased, or any part thereof or interest therein, shall not adversely affect Lessor's interest under the Ground Lease. Lessee agrees, without any cost or expense to Lessor, to execute any instrument which is necessary or is reasonably requested by Lessor to further confirm the non-subordination of Lessor's reversionary interest in the Series 2026 Project and/or the Leased Land and Lessor's interest in the Ground Lease.

*Subordination***.** Notwithstanding anything else contained within the Ground Lease, Lessor agrees that the financing of the construction and furnishing of the Series 2026 Project and the Offsite Elements will directly benefit Lessor's operations and Lessor agrees that its interest in and to the rents, revenues, issues and profits relating to the operation of the Series 2026 Project, including all insurance proceeds, reserve funds and Project Gross Revenues, as well as any and all rights to any and all Assigned Agreements shall be junior and subordinate to the interest of the Issuer, the Bond Trustee, and/or any other Leasehold Deed of Trust Trustee in any Bond Collateral. So long as any of the indebtedness created, evidenced, or secured by any of the Bond Documents remains outstanding and unpaid, Lessor shall not exercise any rights or remedies with respect to the Bond Collateral without either (i) complying with the provisions of the Ground Lease Article titled Encumbering the Leasehold, or (ii) obtaining in each instance the prior written consent of the Issuer, the Bond Trustee, or Leasehold Deed of Trust Trustee, as applicable.

*Agreement Between Lessor and Leasehold Deed of Trust Trustee*. Lessor, upon request, shall execute, acknowledge, and deliver to the Leasehold Deed of Trust Trustee an agreement, in form reasonably satisfactory to the Leasehold Deed of Trust Trustee and Lessor, by and among Lessor, Lessee, and the Leasehold Deed of Trust Trustee (provided the same has been previously executed by Lessee and Leasehold Deed of Trust Trustee) agreeing to all of the provisions of the Ground Lease Article titled Encumbering the Leasehold.

*Limitation on Liability of Leasehold Deed of Trust Trustee*. Notwithstanding any other provision of the Ground Lease, Lessor agrees that the Leasehold Deed of Trust Trustee permitted under the Ground Lease shall in no manner or respect whatsoever be (i) liable or responsible for any of Lessee's obligations or covenants under the Ground Lease (nor shall any rights of such Leasehold Deed of Trust Trustee be contingent on the satisfaction of such obligations or covenants), or (ii) required to cure any Event of Default, provided; however, that if the Leasehold Deed of Trust Trustee becomes the owner of the leasehold estate created under the Lease or becomes Lessee under a Deed of Trust Trustee Lease, then such Leasehold Deed of Trust Trustee shall be responsible and liable for all obligations and covenants accruing during such Leasehold Deed of Trust Trustee's tenure as owner of such leasehold estate or as lessee under a Deed of Trust Trustee Lease. Notwithstanding the foregoing, the liability of a Leasehold Deed of Trust Trustee with respect to its obligations under the Ground Lease or any Deed of Trust Trustee Lease shall be "non-recourse" and, accordingly, Lessor's source of satisfaction of such obligations shall be limited to the Surplus Fund and Lessor shall not seek to obtain payment through any judicial process or otherwise from any person or entity comprising such Leasehold Deed of Trust Trustee or from any assets of such Leasehold Deed of Trust Trustee other than the Surplus Fund.

**Submission of Matters to Lessor for Approval**

*General*. Any matter which must be submitted to and consented to or approved in writing by Lessor or any matter which must be submitted to Lessor which may become effective if not denied by Lessor, as required under the Ground Lease, shall be submitted to Lessor by hand, mailed by United States certified or registered mail return receipt requested, or by e-mail, to the address of Lessor designated for the giving of notice to Lessor and shall either be approved or rejected by Lessor within ten (10) Business Days after receipt unless a different period of time is expressly stated elsewhere within the Ground Lease. Except as otherwise expressly provided in the Ground Lease and except for Material Matters, if Lessor should fail to approve or reject within the relevant period as provided for within the Ground Lease, Lessor shall be deemed to have disapproved the same. With respect to Material Matters only, if Lessor should fail to approve or reject within the relevant period as provided for within the Ground Lease, Lessor shall be deemed to have approved the same. Lessor shall inform Lessee in writing of its rejection or approval of such submitted matter by United States certified or registered mail, return receipt requested, or by e-mail, to the address of Lessee designated for the giving of notice to Lessee. Any review by Lessor of any matter submitted to Lessor is for Lessor's own convenience and purpose only. By undertaking such review, Lessor does not obtain or have any liability to Lessee or any other person, including the insurers and lenders of Lessee.

*Authority of Lessor's Representative*. The Lessor's Representative shall have full authority to approve or consent to any and all actions of the Lessor under Ground Lease Articles titled Utility Services, General Conditions of the Work, Construction of the Series 2026 Project in the Ground Lease relating to the initial design and construction, or any subsequent work, alterations, or improvements to the Series 2026 Project and the Offsite Elements, and the operation of the Premises.

**Limitation of Liability**

*Exclusion of Consequential Damages*. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THE GROUND LEASE, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES, FOR LOST REVENUES OR LOST PROFITS, OR FOR ANY OTHER SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES, IN EACH CASE ARISING OUT OF, RELATING TO OR RESULTING FROM (A) AN ACTUAL OR ALLEGED DEFAULT OR BREACH OF THE GROUND LEASE, (B) THE TRANSACTIONS CONTEMPLATED UNDER THE GROUND LEASE OR (C) THE RELATIONSHIP OF THE PARTIES UNDER THE LEASE, IN EACH CASE EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND EACH PARTY HEREBY EXPRESSLY, IRREVOCABLY AND UNCONDITIONALLY RELEASES THE OTHER PARTY THEREFROM.

*Non-Recourse to Lessee*. Notwithstanding anything within the Ground Lease to the contrary, the liability of Lessee under the Lease (including its indemnity obligations) under the Ground Lease shall be limited and Lessor's sole source of satisfaction of such obligations shall be limited to Lessee's Interest and Net Available Cash Flow, and Lessor shall not seek to obtain payment from any person or entity comprising Lessee, or from any assets of Lessee other than those described within the Ground Lease (which shall include, but shall not be limited to, the indemnity rights under, and proceeds of, any insurance policies required under the Ground Lease), notwithstanding the survival of any obligation of Lessee beyond the term hereof. No recourse under or upon any obligation, covenant or agreement contained in the Ground Lease or for any claim based thereon, or under any judgment obtained against Lessee, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, statute or otherwise or under any other circumstances, under or independent hereof, shall be had against any incorporator, shareholder, member, or any partner or member of such member, the shareholders of such member, or the trustees, officers, directors, employees or agents of Lessee, past present or future, either directly or through Lessee or any successor entity, or otherwise, for any sum that may be due and unpaid by Lessee under the Ground Lease.

*Non-Recourse to Lessor*. Notwithstanding anything within the Ground Lease to the contrary, the liability of Lessor under the Ground Lease shall be limited and, accordingly, Lessee's sole source of satisfaction of such liability shall be limited to Lessor's interest in the Premises and the rents, issues, revenues and surplus related to or arising under any of the foregoing, and Lessee shall not seek to obtain payment from Lessor or any Person comprising Lessor or from any assets of Lessor other than those assets of Lessor described above. Notwithstanding anything to the contrary contained within the Ground Lease, Lessor's incorporators, shareholders, members, the partners or members of such members, the shareholders of such members, and the Regents, trustees, officers, directors, employees, and agents of Lessor and its members shall have no personal liability for any acts, omissions or obligations of Lessor, and their individual assets shall not be subject to any claims of any person relating to such acts, omissions or obligations.

*Lessor Not Liable for Injury or Damage*. Lessor is not liable for any injury or damage to Lessee or to any Person happening on, in or about the Premises or its appurtenances, nor for any injury or damage to the Premises or to any property belonging to Lessee or to any other Person that may be caused or that may arise from any other cause whatsoever, except to the extent caused by the gross negligence or intentionally tortious acts of Lessor, or its officers, employees or agents.

*Sovereign Immunity*. Notwithstanding any provision to the contrary in the Ground Lease, nothing in the Ground Lease shall operate (or be deemed or construed to operate or constitute) as a waiver of the sovereign immunity of Lessor with respect to matters in which it is acting in its sovereign capacity, including the decisions, acts or omissions of the Approving Agency.

*Transfer of Lessor's Interest*. Notwithstanding anything within the Ground Lease to the contrary, provided that Lessor complies with all applicable terms and provisions of the Ground Lease, including, but not limited to the terms and provisions of this section, Lessor shall have the right to transfer the Premises or its interest in the Ground Lease to an Affiliate without the prior written consent of Lessee. If the original Lessor named in the Ground Lease, or any successor to the original Lessor's interest in the Leased Land, conveys or otherwise disposes of its interest in the Leased Land, then upon such conveyance or other disposition all liabilities and obligations on the part of the original Lessor, or such successor Lessor, as Lessor under the Ground Lease, which accrue after such conveyance or disposition shall cease and terminate and each successor Lessor shall, without further agreement, be bound by Lessor's covenants and obligations under the Ground Lease, but only during the period of such successor Lessor's ownership of the Leased Land provided, however, that any such conveyance or disposition shall only be made if in the reasonable discretion of Lessee, the conveyance or disposition shall not adversely affect the tax exempt status of the Foundation. A copy of the recorded deed conveying the interest in the Leased Premises shall be satisfactory evidence of a successor Lessor's interest.

*Validity of Covenants*. The Parties acknowledge and agree the waivers and disclaimers of liability, releases from liability, limitations, and apportionments of liability, and indemnities throughout the Ground Lease shall apply even in the event of the negligence (in whole or in part), strict liability, tort liability, or fault of the Party whose liability is released, disclaimed or limited.

*Exceptions.* Subject to the limitations set forth in the Ground Lease Section titled Nonrecourse to Lessee, Lessee shall be liable to Lessor for all losses and damages actually incurred by Lessor due to: (i) fraud, intentional misrepresentation or willful misconduct by Lessee or any Agents of Lessee in connection with the Ground Lease; or (ii) intentional misapplication or intentional misappropriation by Lessee or its Agents of Occupancy Receipts collected in advance, or received after the occurrence and during the continuance of an Event of Default.

**Recordation of Memorandum of Lease and Option**

Lessor and Lessee agree that the Parties shall execute, seal, acknowledge and deliver simultaneously with the execution of the Ground Lease, in recordable form, a memorandum of lease setting forth the basic terms of the Series 2026 Ground Lease, which shall include a statement of the option rights granted to Lessor under the Ground Lease Article titled Option to Purchase and Right of First Refusal. The memoranda shall be recorded by Lessor at the expense of Lessee in the appropriate records of Orange County, California.

**Preservation of Tax Exemption**

Lessor shall not take any action with respect to the Series 2026 Project that would adversely affect the exemption of interest on any Bonds from gross income for federal income tax purposes or would otherwise result in a breach of any representations, conditions, or covenants of Lessee as set forth in the Bond Documents. Notwithstanding the foregoing, this section shall not prevent Lessor from enforcing any of its rights under the Ground Lease or any other instruments or agreements in connection with the Series 2026 Project.

**Payments for Lessee by Lessor**

If Lessee fails to procure or cause to be procured the insurance required by Lessor under the Ground Lease or fails to pay any insurance premium, Tax, or any other sum in the Ground Lease required to be paid by Lessee (other than Rent), Lessor may, after expiration of the applicable cure period and after notifying Lessee and the Bond Trustee, at Lessor's option, elect to follow one of the options provided in the Ground Lease or may, without declaring an Event of Default, procure on behalf of Lessee any such insurance, and pay on behalf of Lessee any such payment or payments as may be necessary. Any sum(s) so paid or expended by Lessor on behalf of Lessee shall immediately be reimbursed and paid by Lessee to Lessor within twenty (20) days after demand by Lessor.

**Interest on Unpaid Amounts**

Any sums that are payable by Lessee to Lessor under the Ground Lease (including any Rent) and that are not paid to Lessor within ten (10) days after the due date thereof will bear interest at the equal to the lesser of (a) six percent (6%) per annum, or (b) the highest permitted by Applicable Law, from the due date thereof through the date payment of the same is made. If it becomes necessary for Lessor to bring suit for collection of any sum(s) stipulated in the Ground Lease to be paid by Lessee, Lessee will pay any and all such reasonable expenses and costs as Lessor may incur, including, but not limited to, reasonable attorneys' fees actually incurred or reasonably determined to be the cost of legal services supplied by salaried employees of Lessor.

**Membership in Foundation**

In recognition of the assistance to be provided by the Lessee and the Foundation to the Lessor to provide needed housing for the Lessor's students and to otherwise assist the Lessor in furthering its educational mission, Lessor acknowledges and agrees that upon execution of the Series 2026 Ground Lease, the Lessor shall be deemed to be a member of the Foundation and that it shall remain such a member until the termination of the Ground Lease provided, however, notwithstanding anything within the Ground Lease or in the Foundation's bylaws to the contrary, the Lessor shall in no event be liable for the obligations of the Foundation or have any other obligations as a result of being a member of the Foundation other than those explicitly imposed by this section. In consideration for entering into the Ground Lease, the Foundation shall be entitled to payment of the following compensation: (i) an acquisition fee in the amount of One Hundred Thousand Dollars ($100,000) payable from either taxable proceeds of the Series 2026 Bonds upon issuance thereof, if any, and if none, as an Operating Expense of the Project payable after the date of issuance of the Series 2026 Bonds, and (ii) annual membership fee equal to $100,000 for each Lease Year payable in equal monthly installments and pro-rated for partial Lease Years (collectively, "Lessee's Fee"). Lessee's Fee shall be paid by the Manager as an Operating Expense of the Series 2026 Project. Lessor further represents, warrants and agrees that at all times during the Term of the Ground Lease it shall be and remain an organization which is described in either Section 511(a)(2)(B) of the Internal Revenue Code, or Section 501(c)(3) and 170(b)(1)(A)(ii) of the Internal Revenue Code that is not a private foundation within Section 509 of the Internal Revenue Code.

**Force Majeure**

Neither Party shall be liable or responsible for any delay or failure in the performance of their obligations under the Lease ("Delay") resulting from Force Majeure events if the Party whose performance is affected by any such event shall provide written notice thereof to the other Party on the day of occurrence of the event giving rise to such Delay. In the event of such a Delay, provided such notice is given, the performance of the Parties under the Lease shall be extended or adjusted, but only to the extent of the length of time actually and directly caused by such occurrence; provided however, that such extension of time shall be net of any delays caused by or due to the fault or negligence of the Party whose performance is affected.

**APPENDIX D**

**PROPOSED FORMS OF BOND COUNSEL OPINION**

__________, 2026

California Statewide Communities
Development Authority
Sacramento, California

California Statewide Communities Development Authority
Student Housing Revenue Bonds
(University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.)
Series 2026

(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the California Statewide Communities Development Authority (the "Issuer") in connection with the issuance of $_________ aggregate principal amount of California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2026 (the "Series 2026 Bonds"). The Series 2026 Bonds are issued pursuant to an Indenture, dated as of December 1, 2004, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as amended by the First Amendment to Indenture, dated as of May 1, 2005, and as supplemented by the First Supplemental Indenture, dated as of April 1, 2006, the Second Supplemental Indenture, dated as of July 1, 2008, the Third Supplemental Indenture, dated as of December 1, 2011, the Fourth Supplemental Indenture, dated as of March 1, 2016, the Fifth Supplemental Indenture, dated as of August 1, 2017, the Sixth Supplemental Indenture, dated as of October 1, 2021, and the Seventh Supplemental Indenture, dated as of October 1, 2026, each between the Issuer and the Trustee (as so amended and supplemented, the "Indenture"). The Indenture provides that the Series 2026 Bonds are issued for the stated purpose of making a loan of the proceeds thereof to CHF–Irvine, L.L.C., a limited liability company whose sole member is the Collegiate Housing Foundation, an Alabama nonprofit corporation (the "Borrower"), pursuant to a Loan Agreement, dated as of December 1, 2004, as amended by the First Amendment to Loan Agreement, dated as of April 1, 2005, and as supplemented by the First Supplemental Loan Agreement, dated as of April 1, 2006, the Second Supplemental Loan Agreement, dated as of July 1, 2008, the Third Supplemental Loan Agreement, dated as of December 1, 2011, the Fourth Supplemental Loan Agreement, dated as of March 1, 2016, the Fifth Supplemental Loan Agreement, dated as of August 1, 2017, the Sixth Supplemental Loan Agreement, dated as of October 1, 2021, and the Seventh Supplemental Loan Agreement, dated as of October 1, 2026, each between the Issuer and the Borrower (as so amended and supplemented, the "Loan Agreement"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Loan Agreement, the Financing Trust Agreement, the Tax Certificate and Agreement, dated the date hereof (the "Tax Certificate"), among the Issuer, the Borrower and Collegiate Housing Foundation, opinions of counsel to the Issuer, The Regents, the Trustee and the Borrower, certificates of the Issuer, The Regents, the Trustee, the Borrower and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

We have assumed the correctness of the opinion of Hand Arendall Harrison Sale LLC, counsel to the Borrower, regarding, among other matters, the current qualification of Collegiate Housing Foundation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") and the use of the facilities financed or refinanced with the proceeds of the Series 2026 Bonds in activities that are not considered unrelated trade or business activities of Collegiate Housing Foundation within the meaning of Section 513 of the Code. We note that such opinion is subject to a number of qualifications and limitations. Failure of Collegiate Housing Foundation to be organized and operated in accordance with the Internal Revenue Service's requirements for the maintenance of its status as an organization described in Section 501(c)(3) of the Code, or use of the bond-financed or refinanced facilities in activities that are considered unrelated trade or business activities of Collegiate Housing Foundation within the meaning of Section 513 of the Code, may result in interest on the Series 2026 Bonds being included in gross income for federal income tax purposes, possibly from the date of issuance of the Series 2026 Bonds.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Series 2026 Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Series 2026 Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed that each document and each signature thereon provided to us is genuine and that each such document has been duly and legally executed by, and constitutes a valid and binding agreement of, each party thereto other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second and third paragraphs hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Loan Agreement, the Financing Trust Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Series 2026 Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Series 2026 Bonds, the Indenture, the Loan Agreement, the Financing Trust Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the Issuer in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Indenture or the Loan Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2026 Bonds and express no view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series 2026 Bonds constitute the valid and binding limited obligations of the Issuer.

2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding agreement of, the Issuer. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Series 2026 Bonds, of the Trust Estate and any other amounts held by the Trustee in any fund or account established pursuant to the Indenture, except the Rebate Fund, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

3. The Loan Agreement has been duly executed and delivered by, and constitutes a valid and binding agreement of, the Issuer.

4. The Series 2026 Bonds are not a lien or charge upon the funds or property of the Issuer except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of California or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Series

2026 Bonds. The Series 2026 Bonds are not a debt of the State of California, and said State is not liable for the payment thereof.

5. Interest on the Series 2026 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes. Interest on the Series 2026 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Series 2026 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2026 Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

*Subject to satisfaction of certain conditions and to the occurrence of certain events described under the heading "FORWARD DELIVERY OF THE SERIES 2027 BONDS," Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the California Statewide Communities Development Authority, expects to be able to render on the 2027 Settlement Date its final approving opinion with respect to the Series 2027 Bonds in substantially the following form:*

[2027 Settlement Date]

California Statewide Communities
Development Authority
Sacramento, California

California Statewide Communities Development Authority
Student Housing Refunding Revenue Bonds
(University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.)
Series 2027 (Forward Delivery)
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the California Statewide Communities Development Authority (the "Issuer") in connection with the issuance of $_________ aggregate principal amount of California Statewide Communities Development Authority Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.) Series 2027 (Forward Delivery) (the "Series 2027 Bonds"). The Series 2027 Bonds are issued pursuant to an Indenture, dated as of December 1, 2004, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as amended by the First Amendment to Indenture, dated as of May 1, 2005, and as supplemented by the First Supplemental Indenture, dated as of April 1, 2006, the Second Supplemental Indenture, dated as of July 1, 2008, the Third Supplemental Indenture, dated as of December 1, 2011, the Fourth Supplemental Indenture, dated as of March 1, 2016, the Fifth Supplemental Indenture, dated as of August 1, 2017, the Sixth Supplemental Indenture, dated as of October 1, 2021, the Seventh Supplemental Indenture, dated as of October 1, 2026 and the Eighth Supplemental Indenture, dated as of February 1, 2027, each between the Issuer and the Trustee (as so amended and supplemented, the "Indenture"). The Indenture provides that the Series 2027 Bonds are issued for the stated purpose of making a loan of the proceeds thereof to CHF–Irvine, L.L.C., a limited liability company whose sole member is the Collegiate Housing Foundation, an Alabama nonprofit corporation (the "Borrower"), pursuant to a Loan Agreement, dated as of December 1, 2004, as amended by the First Amendment to Loan Agreement, dated as of April 1, 2005, and as supplemented by the First Supplemental Loan Agreement, dated as of April 1, 2006, the Second Supplemental Loan Agreement, dated as of July 1, 2008, the Third Supplemental Loan Agreement, dated as of December 1, 2011, the Fourth Supplemental Loan Agreement, dated as of March 1, 2016, the Fifth Supplemental Loan Agreement, dated as of August 1, 2017, the Sixth Supplemental Loan Agreement, dated as of October 1, 2021, the Seventh Supplemental Loan Agreement, dated as of October 1, 2026, and the Eighth Supplemental Loan Agreement, dated as of February 1, 2027, each between the Issuer and the Borrower (as so amended and supplemented, the "Loan Agreement"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Loan Agreement, the Financing Trust Agreement, the Tax Certificate and Agreement, dated the date hereof (the "Tax Certificate"), among the Issuer, the Borrower and Collegiate Housing Foundation, opinions of counsel to the Issuer, The Regents, the Trustee and the Borrower, certificates of the Issuer, The Regents, the Trustee, the Borrower and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

We have assumed the correctness of the opinion of Hand Arendall Harrison Sale LLC, counsel to the Borrower, regarding, among other matters, the current qualification of Collegiate Housing Foundation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") and the use of the facilities financed or refinanced with the proceeds of the Series 2027 Bonds in activities that are not considered unrelated trade or business activities of Collegiate Housing Foundation within the meaning of Section 513 of the Code. We note that such opinion is subject to a number of qualifications and limitations. Failure of Collegiate Housing Foundation to be organized and operated in accordance with the Internal Revenue Service's requirements for the maintenance of its status as an organization described in Section 501(c)(3) of the Code, or use of the bond-financed or refinanced facilities in activities that are considered unrelated trade or business activities of Collegiate Housing Foundation within the meaning of Section 513 of the Code, may result in interest on the Series 2027 Bonds being included in gross income for federal income tax purposes, possibly from the date of issuance of the Series 2027 Bonds.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Series 2027 Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Series 2027 Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed that each document and each signature thereon provided to us is genuine and that each such document has been duly and legally executed by, and constitutes a valid and binding agreement of, each party thereto other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second and third paragraphs hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Loan Agreement, the Financing Trust Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Series 2027 Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Series 2027 Bonds, the Indenture, the Loan Agreement, the Financing Trust Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the Issuer in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Indenture or the Loan Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2027 Bonds and express no view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series 2027 Bonds constitute the valid and binding limited obligations of the Issuer.

2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding agreement of, the Issuer. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Series 2027 Bonds, of the Trust Estate and any other amounts held by the Trustee in any fund or account established pursuant to the Indenture, except the Rebate Fund, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

3. The Loan Agreement has been duly executed and delivered by, and constitutes a valid and binding agreement of, the Issuer.

4. The Series 2027 Bonds are not a lien or charge upon the funds or property of the Issuer except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of California or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Series 2027 Bonds. The Series 2027 Bonds are not a debt of the State of California, and said State is not liable for the payment thereof.

5. Interest on the Series 2027 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes. Interest on the Series 2027 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Series 2027 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2027 Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

## APPENDIX E

## FORM OF CONTINUING DISCLOSURE AGREEMENT

This CONTINUING DISCLOSURE AGREEMENT (the "Continuing Disclosure Agreement") is entered into as of [October 1, 2026][February 1, 2027], by and between CHF-Irvine, L.L.C. (the "Borrower") and The Bank of New York Mellon Trust Company, N.A. (the "Dissemination Agent").

## RECITALS:

1. This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by the California Statewide Communities Development Authority (the "Issuer") of $___________ of its Student Housing [Refunding] Revenue Bonds (University of California, Irvine East Campus Apartments, CHF-Irvine, L.L.C.) [Series 2026] [Series 2027 (Forward Delivery)] (the "Bonds")], pursuant to an Indenture, dated as of December 1, 2004, between the Issuer and The Bank of New York Mellon Trust Company, N.A. (formerly The Bank of New York Trust Company, N.A.), as trustee (the "Trustee"), as previously amended and supplemented, and as further supplemented by a [Seventh Supplemental Indenture, dated as of October 1, 2026] [Eighth Supplemental Indenture, dated as of February 1, 2027] (as so amended and supplemented, the "Indenture"). The proceeds of the Bonds are being loaned by the Issuer to the Borrower pursuant to a Loan Agreement, dated as of December 1, 2004, between the Issuer and the Borrower, as previously amended and supplemented, and as further supplemented by [a Seventh Supplemental Loan Agreement, dated as of October 1, 2026] [an Eighth Supplemental Loan Agreement, dated as of February 1, 2027] (as so amended and supplemented, the "Loan Agreement").

2. The Borrower and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Owners and Beneficial Owners of the Bonds and in order to, among other things, assist the Underwriters (as defined below) in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended (the "1934 Act"). The Borrower acknowledges that the Underwriters have deemed the Borrower to be the only "obligated person" under the Rule with respect to the Bonds with responsibility for continuing disclosure, and the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Continuing Disclosure Agreement and is not deemed to have any liability to any person, including any Beneficial Owner of the Bonds, with respect to the Rule (as defined below).

In consideration of the mutual covenants and agreements herein, the Borrower and the Dissemination Agent covenant and agree for the benefit of the Owners and Beneficial Owners of the Bonds as follows:

SECTION 1. Definitions. Capitalized terms, unless otherwise defined herein, shall have the meanings set forth in the Indenture.

"Annual Report" shall mean any annual report provided by the Borrower pursuant to, and as described and defined in Section 3(c) of this Continuing Disclosure Agreement.

"BAM" shall mean Build America Mutual Assurance Company.

"Beneficial Owner" shall mean any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day which is not a Saturday, a Sunday or a legal holiday on which banking institutions in the State of California are closed.

"Disclosure Representative" shall mean the president of the Borrower's sole member, Collegiate Housing Foundation, or his or her designee, or such other officer or employee as the Borrower shall designate in writing to the Dissemination Agent from time to time.

"Dissemination Agent" shall mean The Bank of New York Mellon Trust Company, N.A., or any successor Dissemination Agent designated in writing by the Borrower.

"Financial Obligation" shall mean, for purposes of the Notice Events set out in Section 4(a)(x) and Section 4(b)(xiii), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Financial Statements" shall have the meaning set forth in Section 3(c)(ii) hereof.

"Fiscal Year" shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official Fiscal Year period of the Borrower and certified to the Dissemination Agent in writing by an authorized representative of the Borrower.

"Monthly Report" shall mean the monthly report described and defined in Section 3(a) hereof.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 1.5B(b)(1) of the 1934 Act, as amended.

"Notice Event" shall mean any of the events listed in Section 4(a) and (b) of this Continuing Disclosure Agreement.

"Official Statement" shall mean the Official Statement relating to the Bonds dated September __, 2026 [for 2027: update to include updated official statement, if applicable].

"Owner" or "Bond Owner," whenever used herein with respect to a Bond, shall mean the Person in whose name the ownership of such Bond is registered on the bond register maintained pursuant to the Indenture.

"Periodic Report" shall mean any periodic report provided by the Borrower pursuant to, and as described and defined in, Section 3(b) hereof.

"Person" shall mean an individual, corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Repository" shall mean the MSRB or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access ("EMMA") website of the MSRB, currently located at http://emma.msrb.org.

"Rule" shall mean Rule 15c2-12 adopted by the SEC under the 1934 Act, as the same may be amended from time to time.

"Trustee" shall mean The Bank of New York Mellon Trust Company, N.A., any successor trustee under the Indenture.

"Underwriters" shall mean Barclays Capital Inc., J.P. Morgan Securities LLC, Raymond James & Associates, Inc. and Stifel, Nicolaus & Company, Incorporated.

SECTION 2. Purpose of the Continuing Disclosure Agreement. This Continuing Disclosure Agreement is being executed and delivered by the Borrower for the benefit of the Owners and the Beneficial Owners, and in order to assist the Underwriters in complying with the Rule.

SECTION 3. Provision of Periodic and Annual Financial and Operating Information. The Borrower shall, or shall cause the Dissemination Agent to, provide to the Repository each of the following:

(a) During the construction of the Series 2026 Project, within 30 days of the end of each calendar month, the monthly construction progress reports for the Series 2026 Project received by the Borrower from the Developer (each, a "Monthly Report")[for 2026, include: , commencing with a Monthly Report for November 2026 to be delivered in December 2026];

(b) not later than thirty (30) days following the end of each six (6) month period during each Fiscal Year, commencing with the six (6) month period ending [for 2026: December 31, 2026][for 2027: June 30, 2027], a semi-annual occupancy update relating to the Project, which semi-annual occupancy update shall not include occupancy for the Series 2026 Project until the completion of the Series 2026 Project (each, a "Periodic Report"); and

(c) not later than one hundred twenty (120) days following the end of the Fiscal Year, commencing with the Fiscal Year ending June 30, 2027, an annual report (each, an "Annual Report") that is consistent with the requirements of this Section 3 and contains or includes by reference the following:

(i) The following information with respect to the Project for Fall Quarter during such Fiscal Year; provided the Borrower shall only be required to include information for the Series 2026 Project, if applicable, when completed:

**THE PROJECT**

| **Facility** | **No. of Beds** | **Occupancy (Fall Quarter)** | **Cost/Month** | **Students Housed** | **Year Opened** |
|---|---|---|---|---|---|

(ii) the audited general purpose financial statements of the Borrower prepared in accordance with generally accepted accounting principles for the Fiscal Year ended (the "Financial Statements"); provided, however, that in the event that such Financial Statements are not available by the time the Annual Report is required to be filed pursuant to this Section 3(c), unaudited financial statements or updated projected operating results covering the previous Fiscal Year, in a format that complies with current generally accepted accounting principles, may be substituted therefor; provided, further, that audited Financial Statements shall be filed in the same manner as the Annual Report as soon as such Financial Statements become available.

(d) Each Annual Report, Periodic Report or Monthly Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the Repository, and may include by reference other information as provided in subsection (i) below; provided that the audited Financial Statements of the Borrower may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report as set forth in subsection (c) above. Copies of each Annual Report, Periodic Report or Monthly Report shall be furnished to the Issuer at the same time the information and data are furnished to the Repository. If the Fiscal Year of the Borrower changes from that in effect as of the date hereof, it shall give notice of such change in the same manner as for a Notice Event under Section 4(f) hereof. If any party other than the Dissemination Agent provides an Annual Report, Periodic Report or Monthly Report to the Repository, it shall notify the Dissemination Agent that it has done so.

(e) Not later than five (5) Business Days prior to the date specified in subsection (a) for providing the Monthly Report to the Repository, the Borrower shall (i) provide such Monthly Report to the Dissemination Agent, if any, with written instructions to file such Monthly Report as specified in this Section 3, or (ii) provide written notice to the Dissemination Agent that the Borrower has provided such Monthly Report to the Repository and the Issuer. Not later than fifteen (15) Business Days prior to each date specified in subsection (b) or (c) above for providing an Annual Report or Periodic Report, as applicable, to the Repository, the Borrower shall (i) provide such Annual Report or Periodic Report to the Dissemination Agent, if any, with written instructions to file such Annual Report or Periodic Report as specified in this Section 3, or (ii) provide written notice to the Dissemination Agent that the Borrower has provided such Annual Report or Periodic Report to the Repository and the Issuer.

(f) If by any date specified in subsection (e) above, the Dissemination Agent has not received the applicable Annual Report, Periodic Report or Monthly Report or such written notice, the Dissemination Agent shall contact the Borrower to determine if the Borrower is in compliance with this Section 3.

(g) If the Dissemination Agent is unable to verify that an Annual Report, Periodic Report or Monthly Report has been provided to the Repository by the date required for such report in subsection (a), (b) or (c) above, as the case may be, the Dissemination Agent shall send a notice, in electronic format unless otherwise designated by the SEC and the Repository, in substantially the form attached as Exhibit A, with a copy to the Issuer.

(h) The Dissemination Agent shall:

(i) determine, prior to each date for providing an Annual Report, Periodic Report or Monthly Report, the name and address of the Repository, if any;

(ii) file a report with the Borrower, the Issuer and (if the Dissemination Agent is not the Trustee) the Trustee, certifying that such Annual Report, Periodic Report or Monthly Report has been provided pursuant to this Continuing Disclosure Agreement and stating the date it was provided to the Repository, and

(iii) use its best effort to file each Periodic Report, each Monthly Report and each Annual Report electronically to the Repository.

(i) The financial information and operating data required to be provided by this Section 3 may be set forth in full in one or more documents or may be incorporated by specific reference to any document or specific part thereof (including official statements of debt issues with respect to which the Borrower is an "obligated person" (as defined by the Rule), that theretofore has been filed with the Repository or the SEC. Each such other document so included by reference shall be clearly identified.

(j) The Borrower has undertaken in the Loan Agreement to provide to BAM all notices and information it is required to provide under this Continuing Disclosure Agreement; provided, that it will be deemed to have complied with such obligation so long as the notices and information required to be filed hereunder are available through EMMA or another Repository acceptable to BAM.

SECTION 4. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 4, the Borrower shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, not in excess of ten (10) Business Days after the occurrence of such Notice Event to the MSRB through EMMA:

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers, or their failure to perform;

(v) adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);

(vi) tender offers;

(vii) defeasances;

(viii) rating changes;

(ix) bankruptcy, insolvency, receivership or similar event of the Borrower (such event being considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer therefor in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business thereof, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of' the assets or business thereof) and

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Borrower, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 4, the Borrower shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not in excess of ten (10) Business Days after the occurrence of such Notice Event to the MSRB through EMMA:

(i) Unless described in Section 4(a)(v), notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds, or other events affecting the tax status of any Bonds;

(ii) non-payment related defaults;

(iii) modifications to rights of security holders;

(iv) bond calls;

(v) release, substitution, or sale of property securing repayment of the Bonds;

(vi) the consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets thereof, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions. other than pursuant to its terms;

(vii) appointment of a successor or additional trustee or the change of name of a trustee; and

(viii) incurrence of a Financial Obligation of the Borrower, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Borrower, any of which affect security holders.

(c) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Notice Events, contact the Disclosure Representative, inform such person of the event, and request that the Borrower promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (e) below. For purposes of this Continuing Disclosure Agreement, “actual knowledge” of the occurrence of such Notice Events shall mean actual knowledge at the corporate trust office of the Dissemination Agent by an officer of the Dissemination Agent with responsibility for matters related to the administration of the Indenture. The Dissemination Agent shall not be responsible for determining the materiality of such Notice Event in notifying a Disclosure Representative of such Notice Event.

(d) Whenever the Borrower obtains knowledge of the occurrence of a Notice Event under subsection (b) above, because of a notice from the Dissemination Agent pursuant to subsection (c) above or otherwise, the Borrower shall as soon as possible determine if the occurrence of such Notice Event would be material under applicable federal securities laws.

(e) If the Borrower has determined that knowledge of the occurrence of a Notice Event under subsection (b) above would be material under applicable federal securities laws, the Borrower shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f) below.

(f) If the Dissemination Agent has been instructed by the Borrower to report the occurrence of a Notice Event, the Dissemination Agent shall file a notice of such occurrence with the Repository in electronic format, accompanied by such identifying information as is prescribed by the Repository, with a copy to the Borrower, the Trustee and the Issuer. Notwithstanding the foregoing, notice of Notice Events described in subsections (a)(vii) and (b)(iii) of this Section 4 need not be given under this subsection (f) any earlier than the notice, if any, of the underlying event is given to the Owners of affected Bonds pursuant to the Indenture.

SECTION 5. Termination of Reporting Obligation. The Borrower's and the Dissemination Agent's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in the same manner as for a Notice Event under Section 4(f) hereof.

SECTION 6. Dissemination Agent. The Borrower may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out their obligations under this Continuing Disclosure Agreement, and may discharge any such Dissemination Agent. Upon such discharge, however, a new Dissemination Agent must be appointed within sixty (60) days. The Dissemination Agent may resign by providing sixty (60) days written notice to the Borrower. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Borrower pursuant to this Continuing Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The Dissemination Agent shall receive reasonable compensation for its services delivered and shall be reimbursed for any reasonable out-of-pocket costs and expenses pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent shall be The Bank of New York Mellon Trust Company, N.A.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Borrower may amend this Continuing Disclosure Agreement (and the Dissemination Agent shall agree to any amendment so requested by the Borrower that does not adversely affect its rights or increase its duties under this Continuing Disclosure Agreement), and any provision of this Continuing Disclosure Agreement may be waived, provided that any of the following conditions is satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(c), 4, or 5 herein, it 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 an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; or

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners of the Bonds, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or

Beneficial Owners of the Bonds. The Borrower also may amend or terminate this Continuing Disclosure Agreement without approval by the Owners of the Bonds to the extent permitted by rule, order or other official pronouncement of the SEC expressly permitting such action or approved by an opinion of nationally recognized bond counsel.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Borrower shall describe such amendment in the next Periodic Report or Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Notice Event, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 8. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Periodic Report, Monthly Report, Annual Report or notice of occurrence of a Notice Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Borrower chooses to include any information in any Periodic Report, Monthly Report, Annual Report or notice of occurrence of a Notice Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Borrower shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Periodic Report, Monthly Report, Annual Report or notice of occurrence of a Notice Event.

SECTION 9. Default. In the event of a failure of the Borrower to comply with any provision of this Continuing Disclosure Agreement, the Dissemination Agent may (and, at the request of the Underwriters or the Owners of at least 25% of aggregate principal amount of the Bonds then Outstanding, shall but only to the extent indemnified to its satisfaction from any liability or expense, including fees of its attorneys), or any Owner or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Borrower to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an Event of Default under the Indenture, the Loan Agreement or any related document, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance, and no Person shall be entitled to recover monetary damages under this Continuing Disclosure Agreement.

SECTION 10. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement, and the Borrower agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, or its employees and agents, harmless against any loss. expense and liabilities which he or she may incur arising out of or in the exercise or performance of his or her powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct.

SECTION 11. Notices. Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given as follows:

To the Borrower:
CHF—Irvine, L.L.C.
409 Johnson Avenue
Fairhope, Alabama 36532
Telephone: (251) 928-9340
Fax: (251) 928-9342

To the Dissemination Agent:
The Bank of New York Mellon Trust Company, N.A.
333 South Hope Street, Suite 2525

Los Angeles, CA 90071
Attn: Corporate Trust

with copies to (if Dissemination Agent is no longer the Trustee):
The Bank of New York Mellon Trust Company. N.A.
333 South Hope Street, Suite 2525
Los Angeles, CA 90071
Attn: Corporate Trust

Any Person may, by written notice to the other Persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent. Notices to the Trustee shall be effective on the actual receipt thereof.

SECTION 12. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the Borrower, the Dissemination Agent, the Underwriters, the Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Governing Law. THIS CONTINUING DISCLOSURE AGREEMENT SHALL BE GOVERNED BY THE LAWS OF CALIFORNIA DETERMINED WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAW.

IN WITNESS WHEREOF, the Borrower and the Dissemination Agent each have caused this Continuing Disclosure Agreement to be executed and attested by its proper officer thereunto duly authorized, as of the day and year first above written.

**CHF—IRVINE, L.L.C.**

By: Collegiate Housing Foundation,
its sole member

By: ______________________________
Name:
Title:

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,** as Dissemination Agent

By: ______________________________
Name:
Title:

**EXHIBIT A**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE PERIODIC OR ANNUAL REPORT**

| | |
|---|---|
| Name of Obligated Person: | CHF-Irvine, L.L.C. |
| Name of Issuer: | California Statewide Communities Development Authority |
| Name of Bond Issue: | Student Housing [Refunding] Revenue Bonds (University of California, Irvine East Campus Apartments, CHF-Irvine, L.L.C.) [Series 2026][Series 2027 (Forward Delivery)] (the "Bonds") |
| Date of Issuance: | [October __, 2026][February __, 2027] |

NOTICE IS HEREBY GIVEN that CHF-IRVINE, L.L.C. (the "Borrower") has not provided for the [Monthly][Periodic][Annual] Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement, dated as of _________ 1, 202__, entered into by the Borrower for the benefit of the Owners of the Bonds. The Borrower anticipates that the [Monthly][Periodic][Annual] Report will be filed by __________.

Dated: __________

**The Bank of New York Mellon Trust Company, N.A.**,
as Dissemination Agent

By: ______________________________
Title: ______________________________
Phone: ______________________________

cc: CHF-Irvine, L.L.C.
The Bank of New York Mellon Trust Company, N.A.
Barclays Capital Inc., as representative of the Underwriters

## APPENDIX F

## BOOK-ENTRY ONLY SYSTEM

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC. NONE OF THE ISSUER, THE REGENTS, OR THE BORROWER TAKES ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

So long as Cede & Co is the registered holder of the Series 2026 Bonds, as nominee of DTC, references in this Official Statement, including the Appendices hereto, to the Owners of the Series 2026 Bonds (other than as set forth under "TAX MATTERS") shall mean Cede & Co., and shall not mean the Beneficial Owners (as defined herein) of the Series 2026 Bonds.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2026 Bond certificate will be issued for each maturity of the Series 2026 Bonds, in the aggregate principal amount of such 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 3.6 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 an S&P Global Ratings 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. The information contained in such websites is not incorporated by reference herein.

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026 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 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

**SO LONG AS CEDE & CO., AS THE NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE SERIES 2026 BONDS, THE ISSUER AND THE BOND TRUSTEE WILL TREAT CEDE & CO. AS THE ONLY REGISTERED OWNER OF THE SERIES 2026 BONDS FOR ALL PURPOSES UNDER THE INDENTURE, INCLUDING RECEIPT OF ALL PRINCIPAL OF, AND PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2026 BONDS, RECEIPT OF NOTICES, VOTING, AND REQUESTING OR**

**DIRECTING THE BOND TRUSTEE TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THE INDENTURE.**

To facilitate subsequent transfers, all Series 2026 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 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 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 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 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 will be sent to DTC. If less than all of the Series 2026 Bonds 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 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an omnibus proxy (the "Omnibus Proxy") to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Bond Trustee, as paying agent, on payable dates 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 Bond Trustee, as paying agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Bond Trustee, as paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Issuer or the Bond Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2026 Bond certificates are required to be printed and delivered in accordance with the provisions set forth in the Indenture.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2026 Bond certificates will be printed and delivered in accordance with the provisions set forth in the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and Borrower believe to be reliable, but the Issuer and Borrower take no responsibility for the accuracy thereof.

**THE ISSUER, THE BORROWER AND THE BOND TRUSTEE DO NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE SERIES 2026 BONDS; (B) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (C) THE PAYMENT OF DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER WITH RESPECT TO THE PRINCIPAL OF AND INTEREST ON THE SERIES 2026 BONDS; (D) 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 OWNERS; (E) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2026 BONDS; OR (F) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE, CEDE & CO., AS OWNER.**

## APPENDIX G

## FORM OF DELAYED DELIVERY CONTRACT

$___________

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STUDENT HOUSING REFUNDING REVENUE BONDS
(UNIVERSITY OF CALIFORNIA, IRVINE EAST CAMPUS APARTMENTS, CHF–IRVINE, L.L.C.)
SERIES 2027 (FORWARD DELIVERY)

DELAYED DELIVERY CONTRACT

__________, 2026

1. The purchaser designated below and executing this instrument (the "Purchaser") hereby agrees to purchase from Barclays Capital Inc., as representative of itself and the other Underwriters set forth in the Bond Purchase Agreement (defined below) (in such capacity, "Barclays"), when, as and if issued and delivered by California Statewide Communities Development Authority (the "Issuer") to the Underwriters, and Barclays agrees to sell to the Purchaser, the following Student Housing Refunding Revenue (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.), Series 2027 (Forward Delivery) (collectively, the "Purchased Bonds"):

| **Maturity (May 15)** | **Amount ($)** | **Interest Rate (%)** | **Price ($)** | **Yield (%)** | **CUSIP No. (13078R)** |
|---|---|---|---|---|---|

on the terms and conditions set forth in this Delayed Delivery Contract (this "Delayed Delivery Contract"), at the purchase price and with the maturity dates, principal amounts, interest rates and yields shown above. The Purchased Bonds have been offered pursuant to the Issuer's Preliminary Official Statement, dated September 16, 2026 (the "Preliminary Official Statement"), related to the Series 2026/2027 Bonds (as defined therein and including its Student Housing Refunding Revenue Bonds (University of California, Irvine East Campus Apartments, CHF–Irvine, L.L.C.), Series 2027 (Forward Delivery) (the "Bonds")) and final Official Statement (the "Official Statement") related to the Series 2026/2027 Bonds. The Bonds are being purchased by the Underwriters pursuant to a Forward Delivery Bond Purchase Agreement, dated September __, 2026 (the "Bond Purchase Agreement"), by and among Barclays, as representative acting on behalf of itself and the other underwriters named therein (collectively, the "Underwriters"), the Issuer and CHF–Irvine, L.L.C., as borrower. All capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Preliminary Official Statement.

2. The Purchaser hereby confirms that it has reviewed the Preliminary Official Statement and will review the Official Statement (in each case, including, but not limited to, the section therein entitled "FORWARD DELIVERY OF THE SERIES 2027 BONDS"), has considered the risks associated with purchasing the Purchased Bonds, and is duly authorized to purchase the Purchased Bonds. The Purchaser further acknowledges and agrees that the Purchased Bonds are being sold on a "forward" or "delayed delivery" basis, and the Purchaser hereby purchases and agrees to accept delivery of such Purchased Bonds from the Underwriters on or about February __, 2027 (the "Settlement Date").

3. Payment for the Purchased Bonds shall be made to Barclays or upon its order on the Settlement Date upon delivery to the Purchaser of the Purchased Bonds through the book-entry system of The Depository Trust Company. The Purchaser agrees that in no event shall the Underwriters be responsible or liable for any claim or loss, whether direct or consequential, which the Purchaser may suffer in the event the Issuers does not, for any reason, issue and deliver the Purchased Bonds.

4. Upon issuance by the Issuer of the Bonds and purchase thereof by the Underwriters on the Settlement Date, the obligation of the Purchaser to take delivery of the Purchased Bonds hereunder shall be unconditional. The Purchaser may terminate its obligation to purchase the Purchased Bonds in the event that between the date of this Delayed Delivery Contract and the Settlement Date, one of the following events shall have occurred and the Purchaser has notified Barclays in writing as provided herein:

(a) there shall be a "Change in Law," which means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriters, prohibit the Underwriters from completing the underwriting of the Bonds or selling the Bonds or beneficial ownership interests therein to the public, or (B) as to the Issuer, the Borrower or the Regents of the University of California ("The Regents"), make the completion of the issuance, sale or delivery of the Bonds illegal;

(b) as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State of California either enacted, issued, effective, adopted or proposed, or for any other reason, Bond Counsel cannot issue an opinion to the effect that (i) the interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code (or comparable provisions of any successor federal tax laws), and (ii) the interest on the Bonds is exempt from the State of California income taxation;

(c) the Official Statement as of October __, 2026 (the "Closing Date") contained, or the Updated Official Statement as of the Settlement Date contains, any untrue statement of material fact or the Official Statement as of the Closing Date omitted, or the Updated Official Statement as of the Settlement Date omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(d) a general banking moratorium shall have been declared by either federal, California or New York authorities having jurisdiction and be in force;

(e) an event of default shall have occurred and be continuing under the Indenture;

(f) legislation shall have been enacted, or a decision of any federal or state court or a ruling or regulation (final or temporary) of the Securities and Exchange Commission or other governmental agency shall have been made or issued which, in the reasonable opinion of counsel to the Underwriters, following consultation with the Issuer, the Borrower and The Regents, has the effect of requiring (a) the Bonds to be registered under the Securities Act of 1933, as amended, (b) the qualification of the Indenture under the Trust Indenture Act of 1939, as amended, or an event shall occur which would cause the sale of the Bonds to be in violation of any provision of federal or State of California securities laws; or

(g) as of the Settlement Date, Moody's no longer maintains a rating on the Bonds.

The Purchaser acknowledges and agrees that the Bonds are being sold on a "forward" or "delayed delivery" basis for delivery on the Settlement Date and that the Purchaser is obligated to take up and pay for the Purchased Bonds on the Settlement Date unless the Underwriters terminate the Purchase Contract, which termination shall be in the Underwriters' sole and absolute discretion, or the Purchaser terminates its obligation to purchase the Purchased Bonds as described herein. To effect a termination by the Purchaser, the Purchaser acknowledges and agrees that (i) it must give written notice of termination of this Delayed Delivery Contract to Barclays before the Settlement Date, (ii) no termination of the obligation of the Purchaser may occur on or after the Settlement Date and (iii) the Purchaser is not a third party beneficiary under the Bond Purchase Agreement and has no rights to enforce, or cause the Underwriters to enforce, any of the terms thereof. No assurances can be given that the rating assigned to the Bonds on the Settlement Date will not be different from that initially assigned to the Bonds. Issuance of the Bonds and the Purchaser's obligations under this Delayed Delivery Contract are not conditioned upon the assignment of any particular ratings for the Bonds or the maintenance of the initial rating of the Bonds.

5. **The Purchaser acknowledges and agrees that it will not be able to withdraw its order except as described herein, and will not otherwise be excused from performance of its obligations to take up and pay for the Purchased Bonds on the Settlement Date because of market or credit changes, including specifically, but not limited to (a) changes in the rating assigned to the Bonds between the date of this Delayed Delivery Contract and the Settlement Date (except as explicitly set forth in Section 4 above) or changes in the credit associated with the Bonds generally, or (b) changes in the financial condition, operations, performance, properties or prospects of The Regents from the date of this Delayed Delivery Contract to the Settlement Date. The Purchaser further acknowledges and agrees that it will remain obligated to purchase the Purchased Bonds in accordance with the terms hereof, even if the**

**Purchaser decides to sell any of the Purchased Bonds following the date hereof, unless the Purchaser sells such Purchased Bonds to another institution with the prior written consent of Barclays and such institution provides a written acknowledgement of confirmation of purchase order and a delayed delivery contract in the same respective forms as that executed by the Purchaser.**

6. The Purchaser represents and warrants that, as of the date of this Delayed Delivery Contract, the Purchaser is not prohibited from purchasing the Purchased Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the Purchaser is subject.

7. This Delayed Delivery Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the prior written consent of the other party.

8. This Delayed Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall constitute one and the same instrument under the laws of the State of New York.

9. It is understood that the acceptance by Barclays of any delayed delivery contract (including this Delayed Delivery Contract) with respect to the Bonds is in the sole discretion of Barclays and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Delayed Delivery Contract is acceptable to Barclays, it is requested that Barclays sign the form of acceptance below and mail or deliver one of the counterparts hereof to the Purchaser at its address set forth below. This Delayed Delivery Contract will become a binding contract between Barclays and the Purchaser when such counterpart is so mailed or delivered by Barclays. This Delayed Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

10. This Delayed Delivery Contract shall be construed and administered under the laws of the State of New York.

____________________________
Purchaser

___________________________
Address

____________________________
Telephone

By: _____________________________
Name: ____________________________
Title: _____________________________

Accepted: Barclays Capital Inc., on behalf of the Underwriters

Name: ____________________________
Title: _____________________________

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# APPENDIX H

# MARKET ANALYSIS STUDY

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# STUDENT HOUSING STUDY

## University of California, Irvine

## PHASE V

AMERICAN CAMPUS COMMUNITIES

JUNE 2026

BLUE
COTTAGE
of CannonDesign

# Table of Contents



I

# Executive Summary

# Introduction

**Background**

In Spring 2026, American Campus Communities (ACC) retained Blue Cottage of CannonDesign to conduct a housing market analysis for a new student apartment development at the University of California, Irvine (UCI or University). The proposed development (Project), referred to as Phase V, represents a continuation of the University's East Campus District housing initiative and supports UCI's ongoing strategic efforts to expand residential capacity in alignment with evolving student demand and housing preferences.

The objective of this analysis is to evaluate projected student housing demand for Phase V and assess the Project's competitive positioning within the market. The study includes an evaluation of prevailing market conditions, student housing preferences, and comparable rental alternatives across the Irvine student housing landscape.

**Acknowledgments**

Blue Cottage extends its gratitude to the leadership and stakeholders at UCI, and the project team at ACC, for their collaboration and invaluable contributions throughout this process.

# UCI Long Range Plan

Phase V represents a continuation of UCI's long-term housing strategy, directly advancing the university's goal of increasing on-campus residency while leveraging proven development partnerships and existing infrastructure.

**Long Range Plan History**

A primary objective of the UCI Long Range Development Plan (LRDP) is to increase the percentage of students housed on campus. By expanding residential capacity, the University aims to support academic success, student engagement, and housing accessibility. To advance this goal, UCI has leveraged a long-standing public-private partnership (P3) with ACC to expand residential capacity within the East Campus district. Since 2004, the UCI-ACC partnership has delivered more than 7,000 beds across multiple development phases, establishing a significant university-affiliated housing network that serves undergraduate and graduate students.

The proposed Phase V development represents the next phase in UCI's housing strategy and continued expansion of the East Campus residential community. Consistent with the University's objective of housing approximately 60% of enrolled students within university-affiliated communities, Phase V is projected to increase the share of students housed on campus from approximately 48% to 51%.

**Development Phases**

- Phase I: Vista del Campo (2004); 1,488 beds
- Phase II: Vista del Campo Norte (2006); 1,564 beds
- Phase III: Camino del Sol/Puerta Del Sol (2010); 2,107 beds
- Phase IV-A: Plaza Verde (2019); 1,441 beds
- Phase IV-B: Plaza Verde II (2023); 1,077 beds
- **Phase V: The Project (2028): 1,065 beds**

Long-Term Housing Target

60.0%

% of Students Housed Currently

48.3%

% Students Housed Post Phase V

51.2%

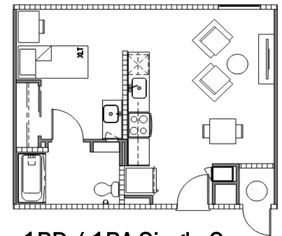
# Project Overview

The Project consists of two residential buildings totaling 308 units and 1,065 beds.  Unit types range from one-bedroom to four-bedroom configurations, including both single- and double-occupancy options. Phase V is anticipated to open for the 2028-2029 academic year.

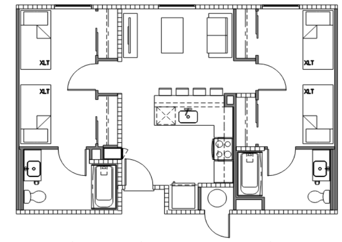
The Phase V development is comprised of two seven-story residential buildings (Building A and Building B), each centered around an internal courtyard. The buildings feature a mix of one-bedroom and shared two-, and four-bedroom apartment layouts, designed to support a range of student living preferences.

Study lounges are distributed throughout the upper levels, while the ground floor includes multipurpose spaces, amenity areas, and landscaped recreation courtyards that support both academic and social use.

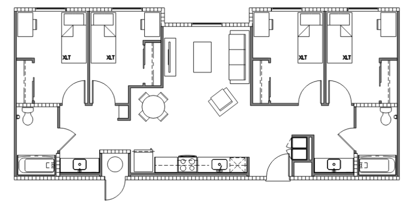
The site plan emphasizes clear pedestrian connections and a strong relationship to the surrounding East Campus communities, with defined entries, internal pathways, and direct adjacency to the existing ACC properties. The below table presents the bed mix and rental rates; with representative floor plans shown to the right.



1BD / 1BA Single Occ



2BD / 2BA Double Occ



4BD / 2BA Single Occ

**Project Program**

| Unit Type | Occupancy | Building | Units | Beds | SF per Unit | Current Rates AY 25/26 | Opening Rates AY 28/29 |
|---|---|---|---|---|---|---|---|
| 1 Bedroom 1 Bath Studio | Single | A | 20 | 20 | 476 | $1,845 | $2,016 |
| 2 Bedroom 2 Bath DBL | Double | A | 46 | 184 | 761 | $899 | $982 |
| 2 Bedroom 1 Bath PRV | Single | A | 1 | 2 | 747 | $1,394 | $1,523 |
| 4 Bedroom 2 Bath PRV | Single | A | 77 | 308 | 1,078 | $1,229 | $1,343 |
| 1 Bedroom 1 Bath Studio | Single | B | 33 | 33 | 475 | $1,845 | $2,016 |
| 1 Bedroom 1 Bath DBL | Double | B | 2 | 4 | 522 | $1,136 | $1,242 |
| 2 Bedroom 2 Bath DBL | Double | B | 31 | 124 | 761 | $899 | $982 |
| 2 Bedroom 1 Bath PRV | Single | B | 1 | 2 | 696 | $1,394 | $1,523 |
| 4 Bedroom 2 Bath PRV | Single | B | 97 | 388 | 1,064 | $1,229 | $1,343 |
| Total / Weighted Average | | | 308 | 1,065 | 885 | $1,164 | $1,272 |

# Project Site

The Phase V development is positioned within UCI's East Campus residential district, effectively bookending the existing ACC-managed housing communities. The Project provides continuity of ACC's housing network while expanding residential capacity at UCI.

**Phase V - Aerial View from the Southeast**

# Key Findings

Market conditions support proceeding with the Project, which is well-positioned to address demonstrated student housing demand at competitive rental rates.

**Enrollment Trends:** Enrollment has remained stable over the past several years, consistently ranging between ~36,000 and ~37,000 students with only modest year-to-year variation. Looking ahead, enrollment is projected to remain flat, reflecting UC system-level influence. Strong and consistent lower-division cohorts reinforce ongoing demand for student housing.

**On-Campus Housing Inventory:** UCI currently operates a diverse on-campus housing portfolio consisting of six university-owned communities (10,300) and six ACC-managed communities (7,700) totaling approximately 18,000 beds. This highlights the significant role ACC communities play in supporting the University's overall student housing capacity.

**Housing Occupancy:** UCI's housing portfolio continues to operate at effectively full occupancy, with ACC-managed communities consistently achieving occupancy levels near 100% and university-owned communities maintaining occupancy in the mid- to high-90% range. Persistent waitlists reaching above 5,000 students further demonstrate that existing housing supply remains insufficient to meet current student demand.

**Rental Market Comparison:** The Project's proposed rents are competitive with the existing ACC-managed communities, as well as prevailing shared off-campus housing options, offering students a university-affiliated living experience with convenient access to campus.

**Phase V Demand:** Approximately 6,000 off-campus students would have leased the Project at the proposed unit mix and rental rates, substantially exceeding the planned 1,065-bed development.

II

# Current Conditions

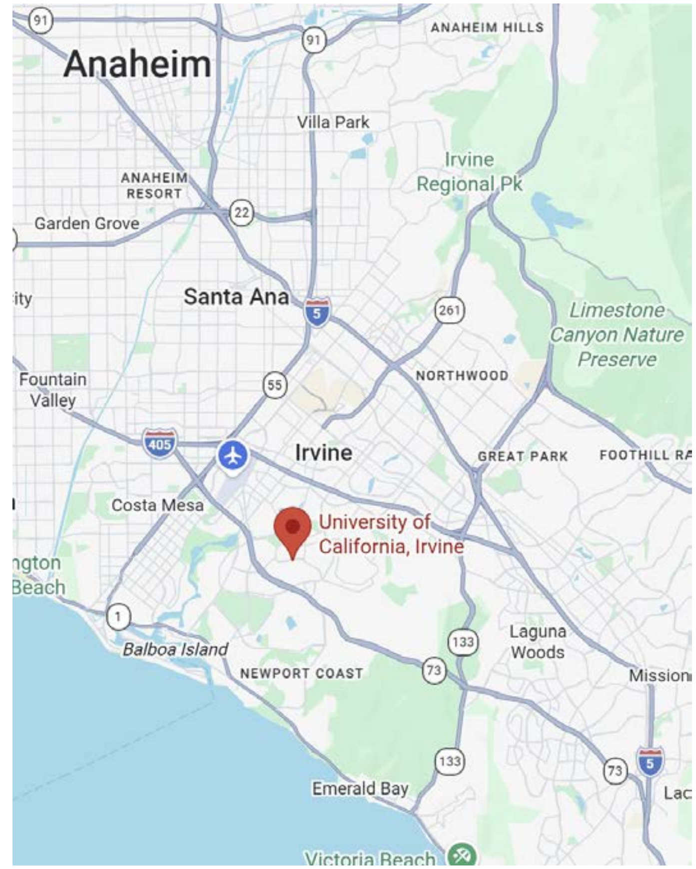
# University Overview

The University's planning priorities include continued investment in campus facilities and residential infrastructure to accommodate future student and campus needs. The Project is the next Phase in accomplishing these objectives.

Founded in 1965, UCI is a public research university located in Irvine, California. As a member of the University of California system, UCI serves a diverse student population and is recognized for its academic programs, research excellence, and commitment to innovation. The University offers more than 200 degree programs across a wide range of disciplines, from undergraduate to doctoral levels, and is consistently ranked among the top public universities in the United States.

According to the University's mission, UCI is dedicated to advancing knowledge through scholarly research, creative activity, and public service while preparing students to become leaders in a global society. This mission is reflected in UCI's emphasis on interdisciplinary collaboration, sustainability, and community engagement.

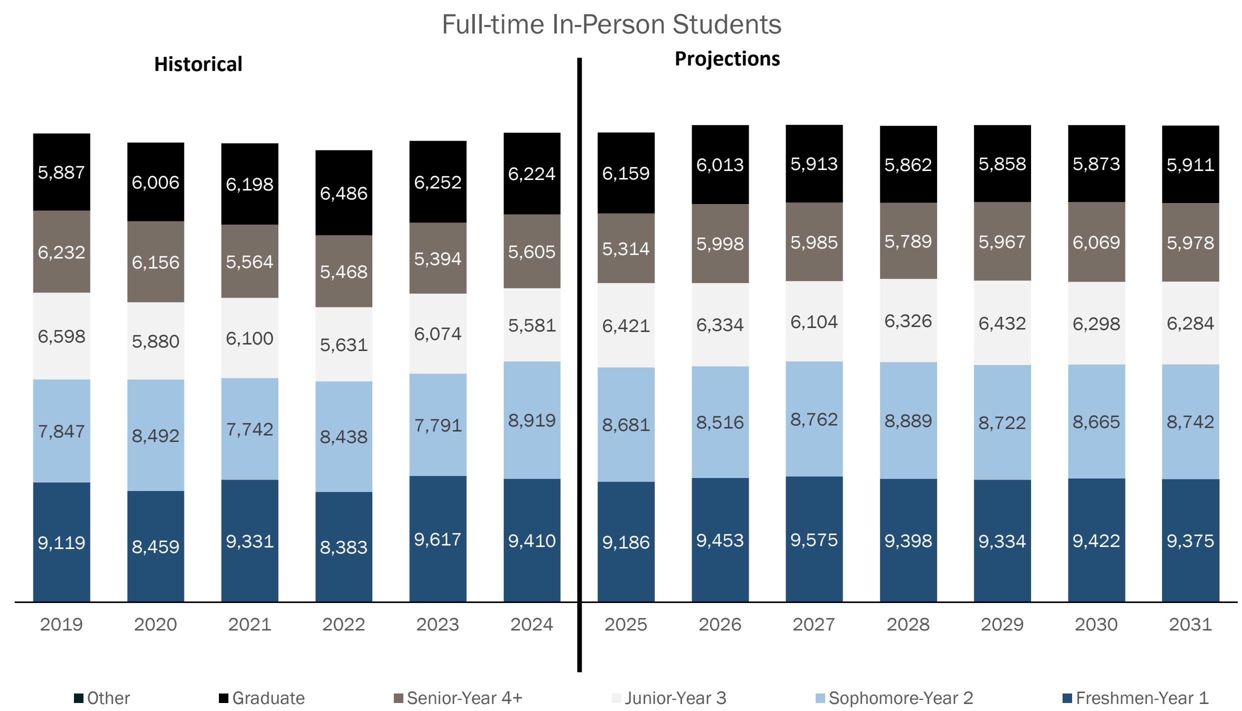
As part of its long-range planning efforts, UCI is focused on enhancing the student experience through continued investment in campus facilities, including the expansion of student housing. The East Campus residential developments directly support this objective by providing accessible housing options that strengthen student success and campus connection.



# Enrollment Trends: Full-time In-Person

The stable enrollment combined with persistent housing waitlists underscores that residential expansion is driven by unmet need rather than enrollment growth.

UCI's enrollment remains relatively stable at approximately 36,000–37,000 full-time in-person students, reflecting a mature enrollment profile within the University of California system. Enrollment targets are established at the system level, with campus growth managed within University of California priorities rather than driven solely by local demand. As a result, near-term projections indicate little change, with student enrollment expected to remain steady over time.



# Current Capacity

UCI currently operates a diverse on-campus housing portfolio consisting of six university-owned residence halls and apartment communities, as well as six ACC-managed apartment communities. Including the ACC portfolio, UCI's existing housing inventory totals 18,012 beds, consisting of 10,335 university-owned beds and 7,677 ACC-managed beds.

Phase V will add 1,065 ACC-managed beds, increasing total on-campus capacity to approximately 19,100 beds and raising the on-campus housing capacity from 48% to roughly 51% of enrolled students.

A summary of existing housing inventory and capacity, provided by UCI, is presented in the following table.

| Community | Year Built | Available Contracts | Non-Revenue Beds | Rentable Beds |
|---|---|---|---|---|
| UCI-Owned Housing | | | | |
| Mesa Court | 1965–2025 | 3,456 | 44 (RA) | 3,412 |
| Middle Earth | 1974–2019 | 2,427 | 36 (RA) | 2,391 |
| Arroyo Vista | 1993–2004 | 1,046 | 22 (RA) | 1,024 |
| Campus Village | 1980 | 357 | 8 | 392 |
| Palo Verde | 1990–2005 | 951 | 2 | 1,254 |
| Verano Place | 1965–2022 | 2,098 | 2 | 2,357 |
| **UCI-Owned Housing Total** | | **10,335** | **114** | **10,830** |
| ACC-Managed | | | | |
| Vista del Campo | 2004 | 1,488 | 4 | 1,484 |
| Vista del Campo Norte | 2006 | 1,564 | 8 | 1,556 |
| Camino del Sol (Undergraduates) | 2010 | 1,198 | 10 | 1,188 |
| Puerta del Sol | 2010 | 909 | 4 | 905 |
| Plaza Verde | 2019 | 1,441 | 8 | 1,433 |
| Plaza Verde II | 2023 | 1,077 | 0 | 1,077 |
| **ACC-Managed Total** | | **7,677** | **34** | **7,643** |
| **Total UCI + ACC Portfolio** | | **18,012** | **148** | **18,473** |

Note: Available Beds reflect the number of student contracts that can be offered based on the current mix of single-student and family housing units. Rentable Beds reflect the total bed inventory and may exceed Available Beds in communities that include family housing, where multiple rentable beds are associated with a single housing contract.

# Housing Cohorts

UCI's housing system is segmented by student type, with different communities serving freshmen, continuing undergraduates, graduate students, and specialized populations. Because eligibility varies by cohort, housing demand, as presented later in this report, must be evaluated within each student segment rather than across the student body as a whole.

While UCI does not currently require on-campus residency for any student population, housing inventory is effectively segmented by student cohort and eligibility requirements. Residence halls primarily serve freshmen, while ACC apartment communities primarily serve continuing undergraduate and transfer students. Additional communities are designated for graduate students, students with families, and other specialized populations. UCI currently offers housing guarantees for eligible freshmen and transfer students, generally covering two years of housing, as well as select graduate student populations.*

| Housing Category | Communities Included | Primary Student Cohort | Notes |
|---|---|---|---|
| Residence Halls | Mesa Court, Middle Earth | Freshmen | Primarily freshman-serving communities with traditional residence hall configurations. |
| Undergraduate Apartments | Arroyo Vista | Sophomores, Juniors, Seniors, Transfer Students | Primarily continuing and transfer undergraduate students; includes fraternity and sorority housing. |
| ACC Apartment Communities | Vista del Campo, Vista del Campo Norte, Camino del Sol, Puerta del Sol, Plaza Verde, Plaza Verde II | Sophomores, Juniors, Seniors | ACC communities primarily serve continuing undergraduate students beginning in their sophomore year and support UCI's transfer housing guarantee by accommodating eligible transfer students. |
| Graduate & Family Housing | Campus Village, Palo Verde, Verano Place | Graduate Students, Students with Families, UC25 | Primarily designated for graduate students, family housing, and other specialized populations. |

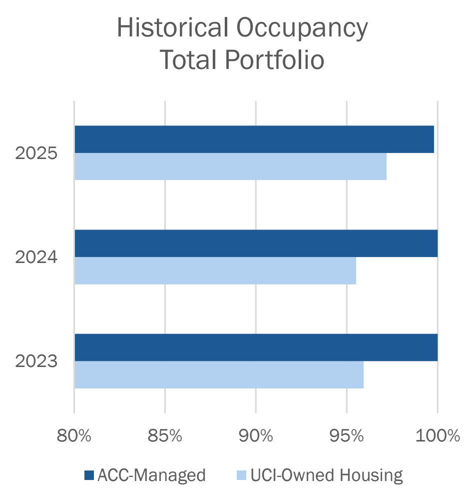
*Additional guaranteed populations may include select graduate students, service members, reservists, veterans, former foster youth, and Campuswide Honors Collegium students, depending on eligibility criteria and program participation.

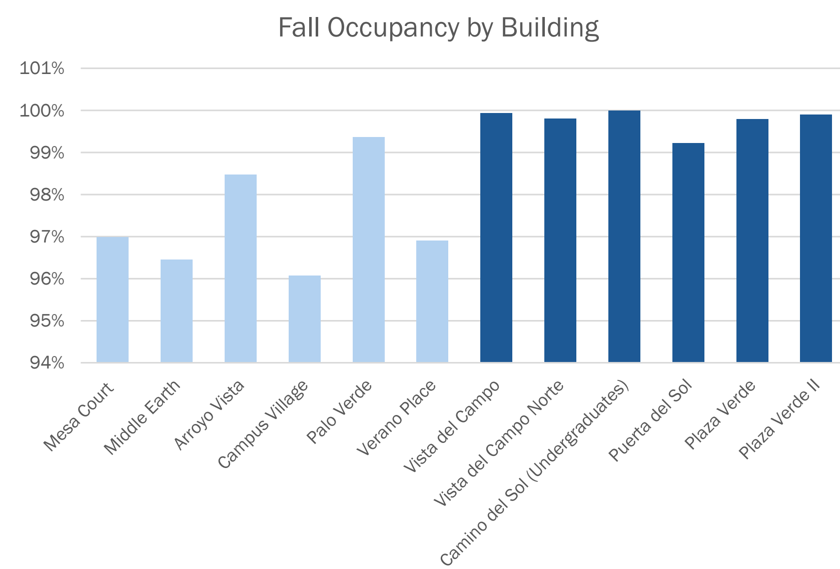
# Housing Occupancy

The combination of near-full occupancy and housing waitlists numbering in the thousands indicates that existing on-campus housing supply remains insufficient to meet current student demand, supporting the need for additional housing capacity at UCI.

UCI's housing portfolio continues to operate at effectively full occupancy, with both university-owned and ACC-managed communities consistently achieving occupancy levels near 100%.

Waitlist activity further highlights the depth of unmet demand across the campus housing market. Post-move-in waitlists have remained substantial in recent years, particularly within the ACC portfolio, where waitlists increased from 3,007 students in Fall 2023 to 3,449 students in Fall 2024 before rising to 5,065 students in Fall 2025. Graduate and family housing communities have also maintained waitlists approaching or exceeding 900 students annually.



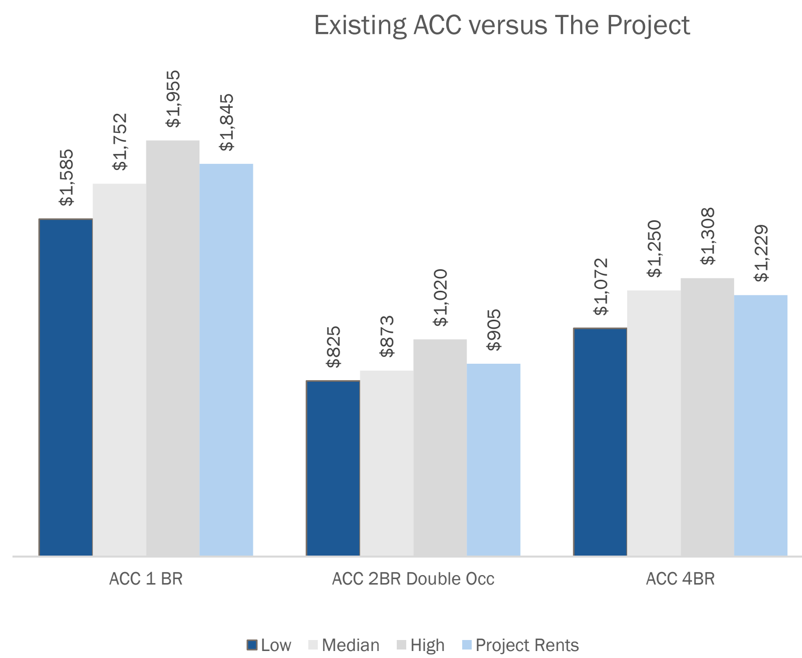
# ACC Rate Comparison

The Project's proposed rents are competitively positioned within the existing ACC portfolio while reflecting the premium associated with delivering the newest purpose-built student housing product at UCI.

The chart to the right compares the Project's proposed academic year 2025/26 rental rates to the existing ACC portfolio across the unit types that will be featured within Phase V. The chart presents the low, median, and high rates currently observed across the ACC communities relative to the Project's proposed rents.

The Project's rates are generally aligned with the existing ACC properties and are positioned modestly above median rates in several unit categories. This premium positioning is considered appropriate given that the Project will represent the newest product within the ACC portfolio and is expected to offer modern unit finishes, contemporary amenities, and new building systems.

Importantly, the Project's rates remain within the established pricing range currently achieved across the ACC portfolio, supporting the Project's overall market competitiveness and anticipated leasing performance.



III

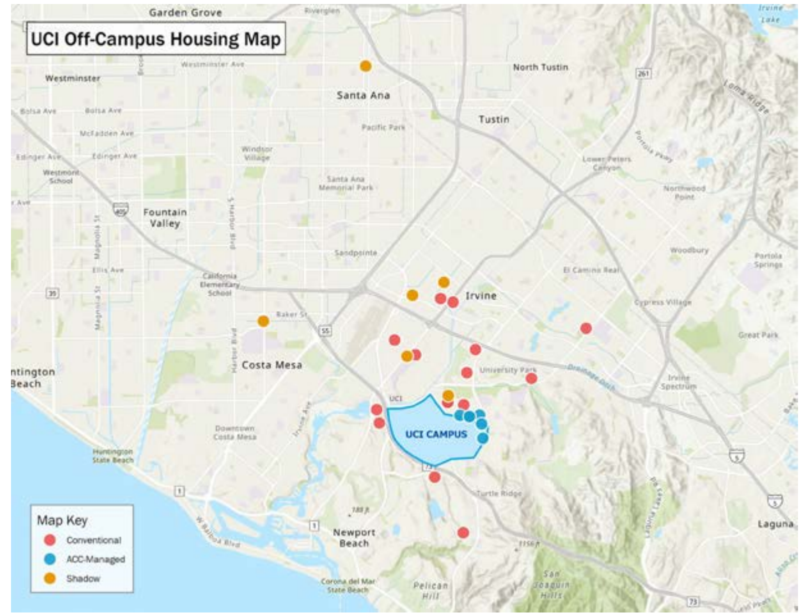
# Off-Campus Market Analysis

# Off-Campus Housing

The off-campus market surrounding UCI remains highly occupied and concentrated within the Irvine submarket, where higher-density multifamily development provides the majority of attainable student-oriented housing options. The Project's location and proposed pricing position is competitive within the larger market while offering the advantages of a modern university-affiliated housing community.

The off-campus market analysis provides additional context for the housing alternatives available to students outside of university-owned and ACC-operated communities. While the ACC portfolio remains the primary competitive set for the Project, Blue Cottage also evaluated conventional multifamily and shadow-market properties to better understand other housing options available to students.

As shown on the map, the properties are mostly located east and north of campus. This geographic concentration is influenced by surrounding land use patterns. Coastal areas south and west of campus are generally lower-density and significantly more expensive, limiting the availability of attainable student-oriented housing compared to the higher-density multifamily areas located north and east of UCI.




Overall, market fundamentals remain stable, with strong occupancy levels and modest rent growth indicating continued demand across the conventional multifamily market, as highlighted below:

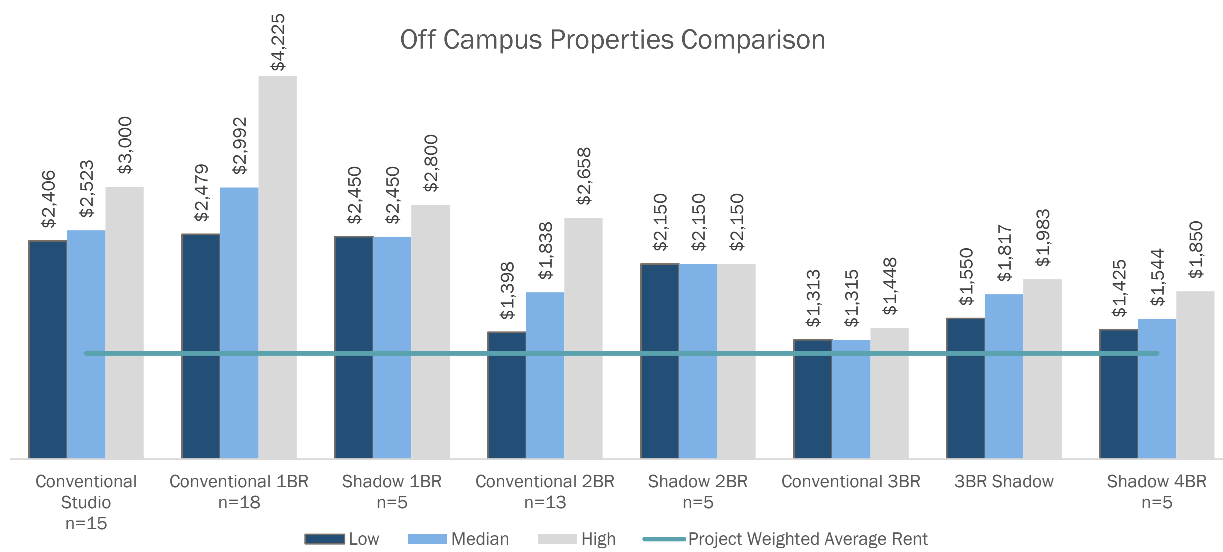
- Current off-campus market occupancy is 96.3% and has remained relatively stable over the past year.
- Year-over-year effective rent growth measured approximately 1.0% from April to April.
- The market continues to exhibit strong occupancy despite recent supply additions, supporting overall apartment demand in the UCI area.

# Off-Campus Housing

The Project's weighted average rents generally align with prevailing multi-occupancy off-campus housing options, including shadow-market units and conventional three-bedroom apartments. The Project's proposed rates remain materially below conventional studio and one-bedroom apartment alternatives on a per-bed basis, reinforcing the Project's relative affordability within the overall student-oriented housing market.

The following chart compares the Project's proposed rental rates (in 2025/2026 dollars) to a range of off-campus housing alternatives, including conventional apartments and shadow-market housing options. The comparison presents the low, median, and high monthly per-bed rates observed in the market and compares it to the weighted average rate at the Project (teal line).

The Project's proposed rents fall within the range of prevailing shared off-campus housing options and remain well below the cost of comparable private-market studios and one-bedroom apartments. As a result, the Project is competitively positioned within the housing choices most relevant to UCI students.



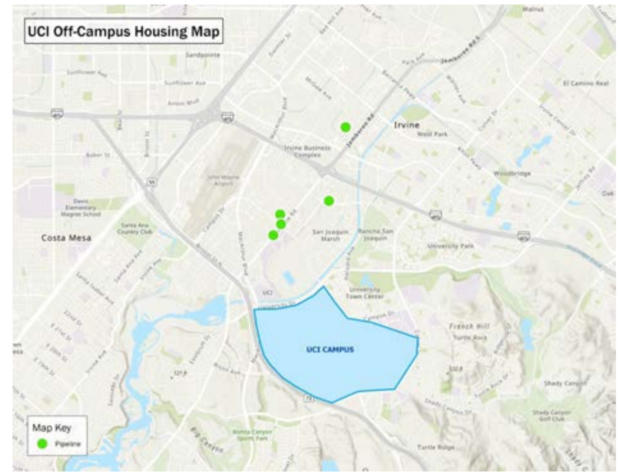

*Note: To more accurately align off-campus properties with the ACC utility offering, an allowance of $50 per person per month was added to conventional and shadow-market properties for water, sewer, and internet expenses. Additionally, estimated electricity costs were removed from the rental rates for Vista del Campo and Vista del Campo Norte, as these communities include electricity within rent, in order to provide a more comparable "apples-to-apples" analysis relative to the ACC portfolio.*

# Construction Pipeline

Although the surrounding Irvine/Newport Beach market includes a modest multifamily development pipeline, the majority of planned projects consist of conventional apartment communities rather than purpose-built student housing. As a result, these developments are expected to function more as general market supply additions than direct competitors to the Project, with the ACC portfolio remaining the primary competitive set for UCI student housing.

Blue Cottage reviewed the active and planned multifamily pipeline surrounding UCI to assess whether upcoming residential deliveries could materially influence the student housing market or increase competitive pressure for the Project.

The following summarizes recently delivered, under-construction, and planned developments in the Irvine/Newport Beach market. No significant off-campus purpose-built student housing developments were identified in the active pipeline surrounding UCI. Instead, planned projects consist primarily of conventional multifamily communities that expand the broader Irvine/Newport Beach housing market rather than directly competing with university-affiliated student housing. The ACC portfolio therefore remains the Project's primary competitive set.




| Property Name | Address | Developer | Distance | Status | Construction Start | First Move-In | Construction Completion | # of Delivered/ Planned Units |
|---|---|---|---|---|---|---|---|---|
| Volar | 1100 Volar | Garden Communities CA | 1.49 | UC/Leasing | 07/01/2020 | 01/01/2026 | 10/01/2026 | 876 |
| Pistoia | 2581 Kelvin Ave | TA Partners LLC | 2.11 | UC | 12/01/2019 | 06/01/2026 | 07/01/2026 | 371 |
| Elements IIA | 18900 Teller Ave | Garden Communities CA | 1.08 | UC | 11/01/2022 | 07/01/2026 | 08/01/2026 | 307 |
| Elements IIIA | Jamboree Rd & Campus Dr | Garden Communities | 1.01 | Planned | n/a | n/a | n/a | 183 |
| Uptown Newport Village II | Jamboree Rd & Birch St | The Picerne Group | 0.92 | Planned | n/a | n/a | n/a | 564 |
| **Total** | | | | | | | | **2,301** |

IV

# Peer Institutions

# Peer Institution Analysis

Unlike its UC peers, UCI maintains a substantial partnership with ACC, which contributes meaningfully to the University's affiliated housing inventory and supports its ability to accommodate nearly half of enrolled students.

**Peer Institution Analysis Objective**

Evaluate how UCI compares to other large public institutions within the University of California system. The goal is to assess whether UCI's housing offerings are aligned with those of peer universities operating in similar California markets and enrollment environments. The institutions included in this analysis are UC Davis, UC San Diego, and UCLA.

**Peer Analysis**

The table below compares total enrollment, total on-campus bed count, and the percentage of students each institution can accommodate on campus. Unlike the other peer institutions, UCI's housing portfolio includes both university-owned communities and a substantial ACC-managed inventory, which together provide approximately 18,000 beds and housing for 48.3% of enrolled students. This combined model places UCI in line with UC San Diego and UCLA, despite a smaller university-owned housing inventory.

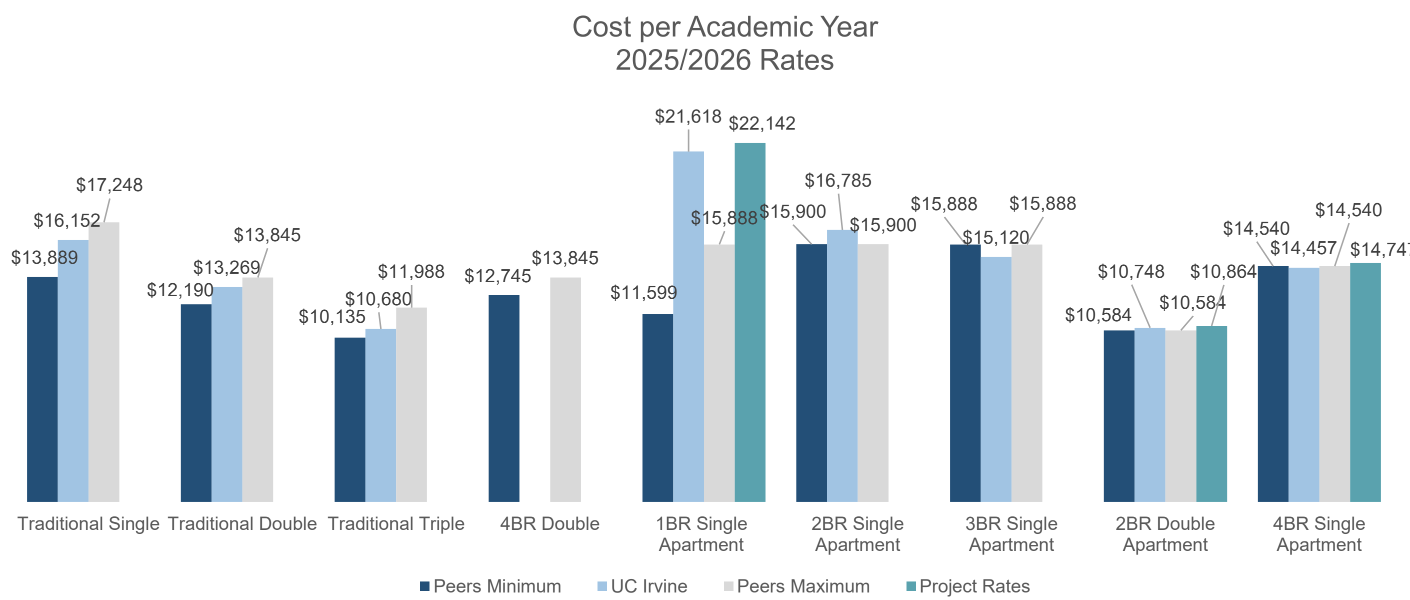
| Institution | Institution Type | Campus Location | Campus Setting | Total Enrollment | Total Number of On-Campus Beds | % of Students each Institution can Accommodate |
|---|---|---|---|---|---|---|
| UC Irvine | 4-year, Public | Irvine, CA | Suburban | 37,268 | 18,012 | 48.3% |
| UC Davis | 4-year, Public | Davis, CA | Suburban / Small City | 40,900 | 15,100 | 36.9% |
| UC San Diego | 4-year, Public | La Jolla, CA | Urban | 45,273 | 22,100 | 48.8% |
| UCLA | 4-year, Public | Los Angeles, CA | Urban | 49,013 | 24,500 | 50.0% |
| **Average** | | | | **45,062** | **20,567** | **45.2%** |

# Peer Institution Analysis

UCI's housing rates are generally competitive with peer institutions across both residence hall and apartment unit types. Although the proposed one-bedroom apartment rate exceeds the peer range, existing UCI apartment communities operate at full occupancy, indicating demand despite the premium pricing.

The chart below compares Academic Year 2025–2026 housing rates at UCI and the proposed Project with comparable unit types at peer institutions. Residence hall rates generally fall within the established peer range, indicating that UCI's traditional housing options remain competitively priced. Apartment rates for both existing UCI communities and the proposed Project are also generally aligned with peer benchmarks across most unit types.

The primary exception is the proposed one-bedroom apartment configuration, which is priced above the upper end of the peer range. However, the proposed rate represents only a modest premium over existing UCI one-bedroom apartments and remains well below prevailing private-market alternatives. Existing ACC-managed one-bedroom apartments continue to operate at full occupancy, supporting demand for the proposed pricing structure.



# Retention & Graduation Rates

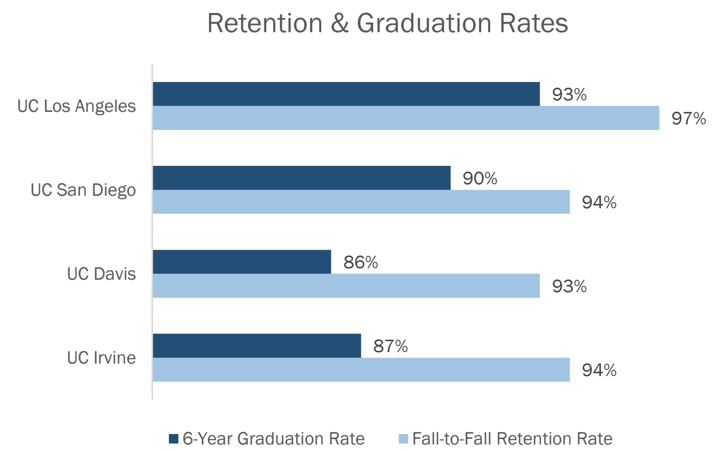
UC Irvine's student outcomes align closely with its UC peers, achieving a 94% retention rate and 87% six-year graduation rate. Despite serving a large student population, UCI maintains strong academic performance while offering a cost of attendance that remains competitive within the UC system.

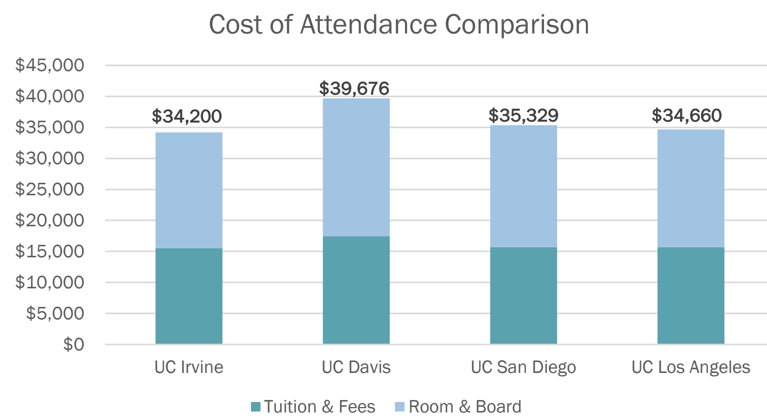
**Student Success**

Peer enrollment and student outcome metrics across the selected UC institutions demonstrate consistently strong academic performance and student persistence. Fall-to-fall retention rates range from 93% to 97%, while six-year graduation rates range from 86% to 93%, reflecting the high-achieving student populations and strong institutional support systems. UCLA reports the strongest outcomes among the peer set, though all four institutions perform well above national public university averages.

**Cost of Attendance Comparison**

Undergraduate cost-of-attendance budgets across the peers are generally aligned, reflecting the UC system's standardized tuition structure and comparable on-campus student living assumptions. Variability is driven primarily by campus-specific fees and housing/food estimates rather than tuition itself. Among the peer set, UC Davis reflects the highest estimated annual student cost, largely attributable to its room and board, while UCLA and UC Irvine report comparatively lower overall student budgets despite being located in higher-cost regional housing markets.



V

# Survey Findings

# Student Survey

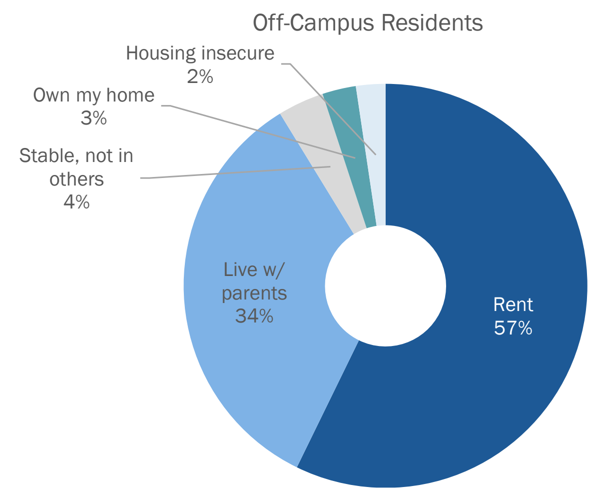
The survey results provide a statistically reliable basis for evaluating student housing preferences and informing the demand analysis presented in the following section of this report.

Blue Cottage developed and administered a student housing survey, which was distributed by UC Irvine to all enrolled students during the Spring of 2026. The survey remained open for two weeks prior to Memorial Day and offered ten $50 gift card incentives. A total of 1,239 students responded, resulting in a margin of error of ±2.74%, well within the generally accepted ±5.00% threshold for reliable survey results.

More than three-quarters of respondents (76%) live in UCI-owned or in one of the ACC apartments. To avoid overlap with existing on-campus inventory, the methodology focuses on students who currently live off campus - 57% of whom rent their housing.

This off-campus subset offers the clearest read on unmet rental demand, since their housing decisions are made in the open market rather than constrained by university or affiliated supply. Looking at their stated preferences, price sensitivity, and proximity expectations gives a more representative baseline for projecting future demand.

| Survey Metrics | |
|---|---|
| Headcount Enrollment | 37,268 |
| Survey Distribution | 37,268 |
| Survey Incentives | Ten $50 Gift Cards |
| Response Period | May 11, 2026 to May 29, 2026 |
| Response Count | 1,239 |
| Response Percentage | 3.32% |
| Margin of Error | ±2.74 |



# Housing Satisfaction

A majority of students report being satisfied with their housing (55%), with newer communities generally receiving the highest satisfaction ratings.

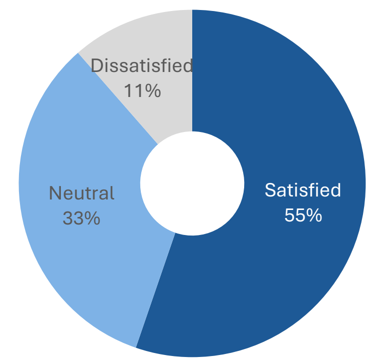
Overall student satisfaction with housing is positive, with most respondents indicating they are satisfied. Satisfaction levels, however, vary across individual UC Irvine and ACC communities. Plaza Verde II receives the highest overall satisfaction ratings, while Arroyo Vista reports the lowest.

**Overall Satisfaction: 55%**

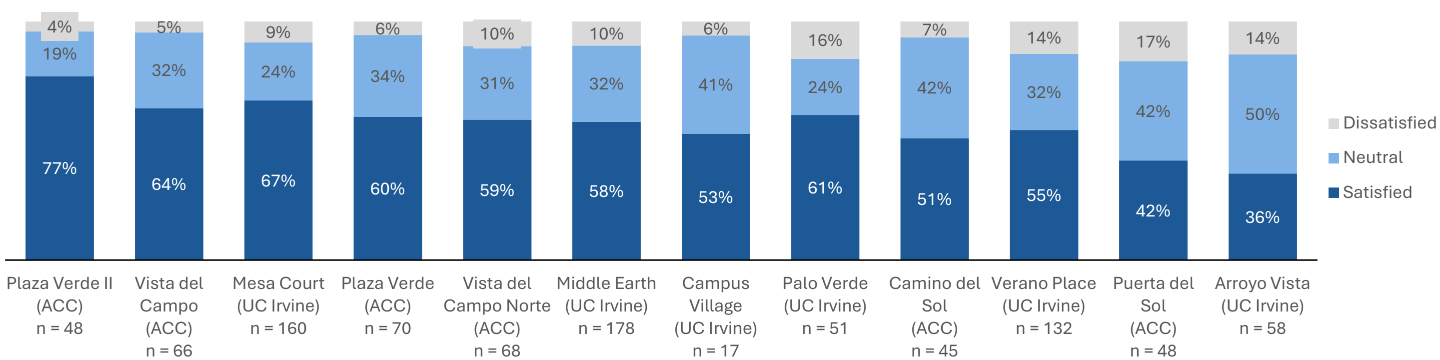
**Highest Satisfaction: Plaza Verde II 77%**

**Lowest Satisfaction: Arroyo Vista 36%**

Overall Housing Satisfaction




Satisfaction by Hall or Apartments



# Satisfaction, Explained

Affordability remains the dominant driver of housing satisfaction; however, because off-campus housing offers little cost advantage, students weigh location, amenities, and housing quality alongside price when evaluating their options.

Respondents were asked to describe the factors influencing their overall housing satisfaction. The summaries below synthesize the most common themes identified by on-campus and off-campus students, providing additional context for the quantitative survey results.

| **OFF CAMPUS** (n = 248) |
| --- |
| ★ Satisfaction drivers (n = 107, 43%): Most satisfied off-campus residents value affordability relative to alternatives, living with family/friends they chose, and having amenities like in-unit laundry and AC. Common themes include appreciating independence, reasonable rent (especially living with parents), and proximity to campus when possible. "I chose to rent with family/friends which allows me to live comfortably without being overburdened by inconsiderate roommates." |
| Neutral perspectives (n = 100, 40%): Some residents acknowledge trade-offs-acceptable housing but high rent, convenient location but long commute, or adequate space but lack of independence. Financial stress from rent is a recurring concern even among those not dissatisfied. "I am grateful that I live fairly close to campus, but rent is too high to sustain alone." |
| Dissatisfaction drivers (n = 41, 17%): A minority cite extremely high rent for poor quality housing, long/expensive commutes, difficult landlords (especially Irvine Company), and housing insecurity. Some students report severe situations including sleeping in cars. "I am partially homeless and sleeping in my car. I live an hour away from campus and I can't afford housing out here." |

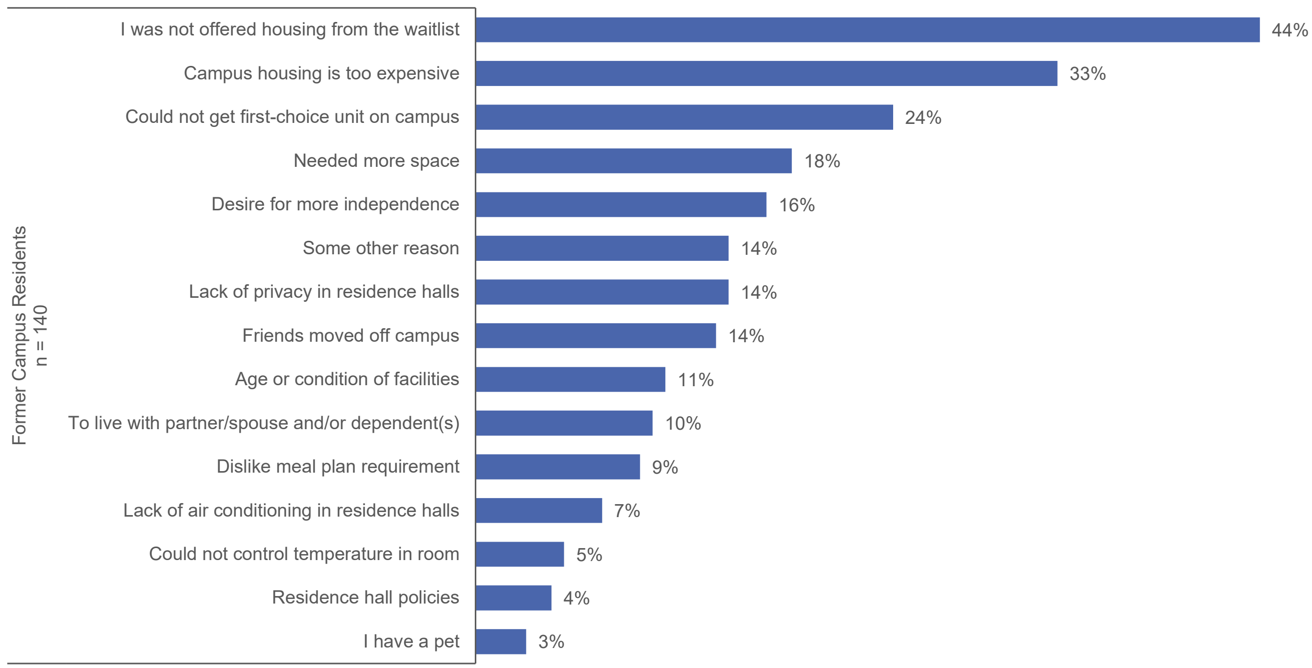
| **ON CAMPUS** (n = 854) |
| --- |
| ★★ Strong consensus-Satisfaction drivers (n = 492, 58%): The majority of on-campus residents are satisfied, citing convenient location/proximity to classes, responsive maintenance, clean facilities, affordability compared to off-campus options, and community atmosphere. Modern amenities in newer buildings (Plaza Verde, VDCN) are particularly praised. "Graduate housing is guaranteed and substantially less expensive than the surrounding area." |
| Neutral perspectives (n = 269, 31%): Some residents appreciate location and price but note significant issues: lack of AC causing extreme heat in summer, aging facilities/furniture in older buildings, thin walls/noise, inflexible lease terms, and rising rent. Roommate compatibility is a recurring concern. "I feel the housing is acceptable and still more affordable than local off campus options." |
| Dissatisfaction drivers (n = 93, 11%): A smaller proportion report serious complaints: no air conditioning causing 90°+ temperatures, pest infestations (ants, roaches, mice), poor building maintenance, mold, water issues, inability to choose roommates, and rent increases. Arroyo Vista receives notably negative feedback. "My housing costs nearly $1000 a month. It is frequently over 80 and sometimes over 90 degrees in my room... Ants infest nearly every part of the dorm." |

# Moving Off Campus

Lack of housing availability is the strongest driver of off-campus residency, outweighing cost, space, independence, and other lifestyle considerations.

Former on-campus residents were asked to identify the reasons they moved to off-campus housing. The inability to secure a UCI housing assignment was the most frequently cited reason, exceeding affordability concerns (which are typically the leading driver at comparable institutions). Fewer than one in five respondents identified the desire for additional space, independence, or privacy as a primary motivation for moving off campus.

Reasons Students Move Out of Campus Housing

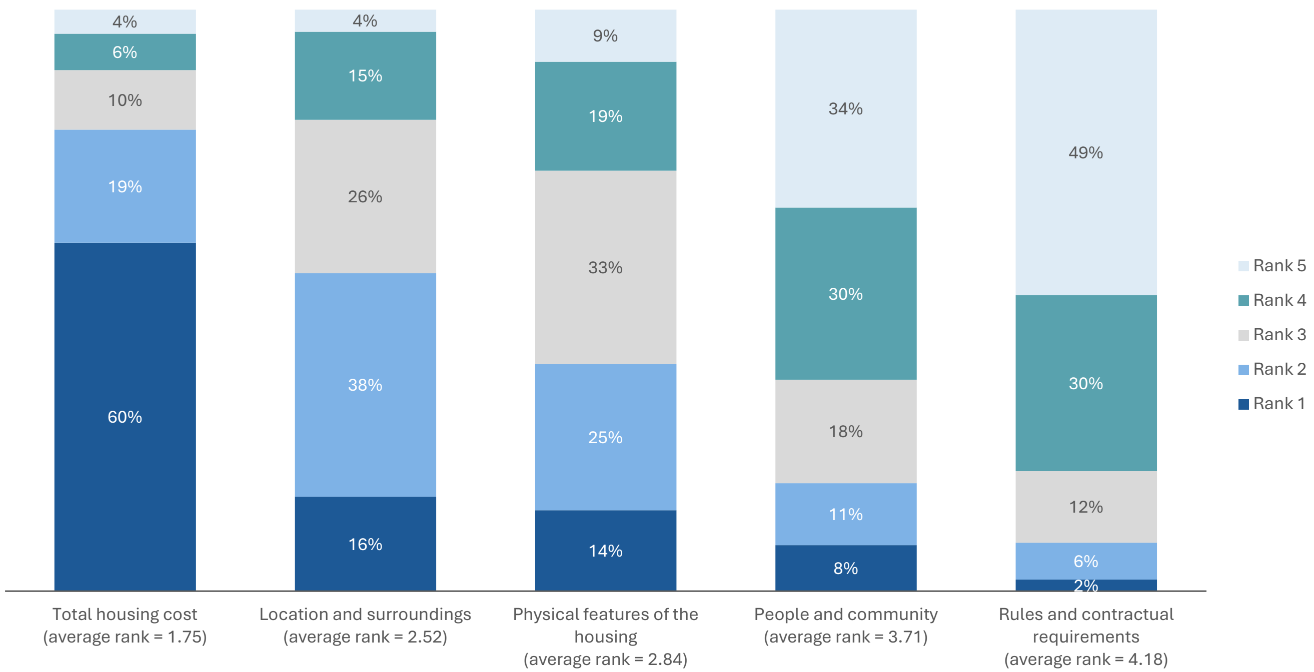


# Housing Factors

Housing cost is the most influential factor in students' housing decisions, with location and physical features ranking as secondary considerations.

Students ranked housing cost as the most important consideration when selecting where to live, followed by location and physical features. Community characteristics and contractual requirements were consistently ranked as lower priorities.

Ranked Importance of Housing Factors

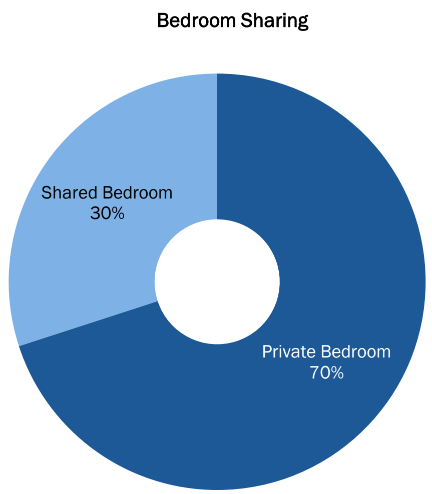


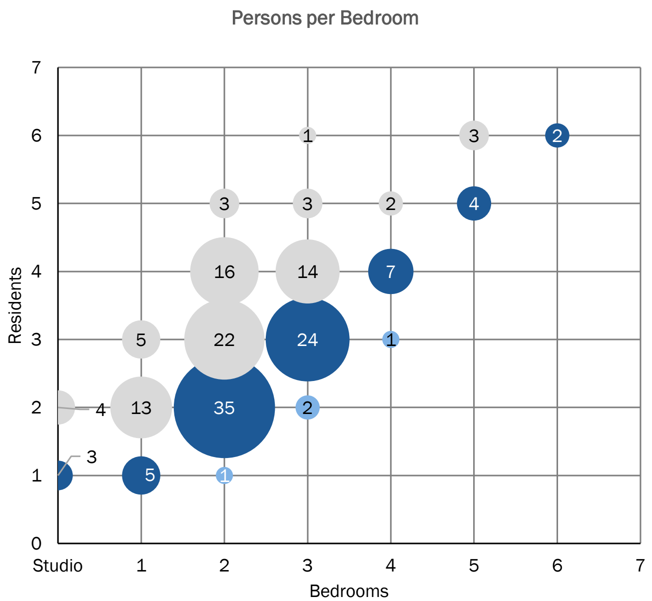
# Bedroom Sharing

Students commonly reduce housing costs by increasing household density, with bedroom sharing and larger households serving as key affordability strategies.

30% of off-campus renters report sharing a bedroom, a proportion that is notably higher than what is observed in comparable Blue Cottage student housing surveys.

Household composition reinforces this finding, with 47% of respondents living in homes with the same number of residents and bedrooms and 51% living in homes with more residents than bedrooms. Together, these results indicate that shared living arrangements are a common strategy for managing housing costs.



# Rental Housing Cost

Students who share a bedroom report a median monthly expense of $1,049; approximately $450 less per month than the median cost among respondents with private bedrooms.

The survey asked respondents to provide their individual share of rent plus utility expenses. The most common living arrangement, a private bedroom in a two-bedroom apartment, carries a median monthly cost of $1,690 per person. Students who share a bedroom report a median monthly expense of $1,049; approximately $450 less than the median cost among respondents with private bedrooms.

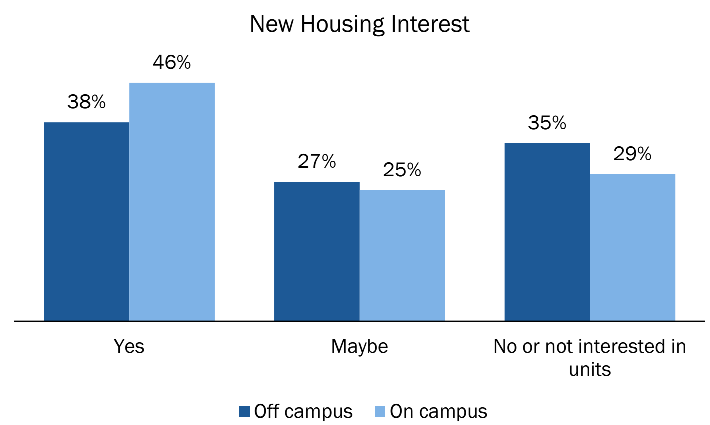
# Housing Interest

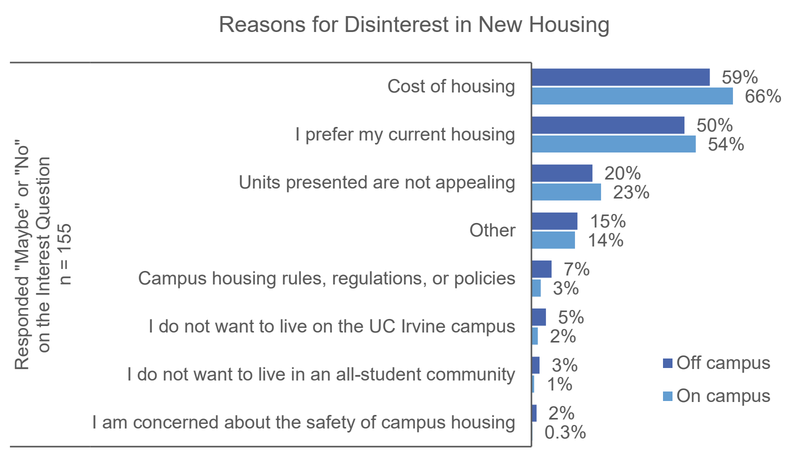
Interest in the Project is broad across both on-campus and off-campus students, although demand is strongest among current on-campus residents. Most respondents who indicated they would not consider the Project cited “cost,” closely followed by students who prefer their current housing.

When asked whether they would have lived in the Project had it been available this academic year, most students answered “Yes” or “Maybe,” signaling broad openness to the concept. Even so, roughly one-third of respondents indicated a definitive lack of interest in the options the Project offers. Interest also skewed noticeably higher among students already living on campus than among those living off campus.

Compared with on-campus residents, off-campus residents were less likely to cite the cost of the housing as a reason for opting out. They were instead more likely to point to a preference for their current housing arrangements, suggesting that satisfaction with where they already live, rather than affordability, was the primary barrier for this group.

A handful of additional concerns - including the safety of campus housing, reluctance to live in an all-student community, a general preference against living on campus, and dissatisfaction with campus rules and regulations - were selected somewhat more often by off-campus residents than by on-campus residents. Even so, each of these reasons was chosen by only a very small share of respondents overall, indicating they are minor factors rather than widespread objections to the Project.



# Housing Comments

Open-ended responses reinforce the survey findings, with affordability, continuity of housing, aging facilities, and graduate housing emerging as the most consistent student concerns.

The survey concluded with an open-ended question inviting students to describe their housing experiences in their own words. A total of 453 respondents provided comments, offering qualitative context that complements the quantitative survey results and highlights issues that may not be fully captured through structured response options.

Affordability was the most frequently cited concern, consistent with findings from the overall survey. Students also expressed concern about the limited duration of housing guarantees, the lack of air conditioning in older residential communities, and the need for additional graduate-focused housing options. Collectively, these themes provide additional context for student housing preferences and priorities.

## Key Themes from Open-Ended Comments (n=453)

- **Affordability & Cost: The most frequently cited concern. Students describe housing as "too expensive" and stress about rent increases.**

  *"High rent prices make living in Irvine virtually impossible for a full-time student that doesn't receive financial help from parents."*

- **Extended Housing Guarantee: Many students express anxiety about losing guaranteed housing after their 2nd year and advocate for 3-4 year guarantees.**

  *"Housing SHOULD be 100% guaranteed for all undergraduate student years... I am at risk of being homeless and I have no clue what I am going to do about it."*

- **Air Conditioning / Temperature Control: Numerous comments cite the lack of air conditioning as a significant issue, especially in older buildings.**

  *"The lack of AC making the room really hot when it warms up, at times unbearable."*

- **Graduate Student Housing Needs: Grad students request more affordable singles, better roommate selection, and housing separate from undergrads.**

  *"Grad students deserve more housing options in low cost singles. We are full grown adults, we shouldn't need to have roommates."*

# VI

# Demand Analysis

# Housing Demand

There is demand for approximately 6,000 students to lease the Project after accounting for existing housing, student interest, and affordability constraints.

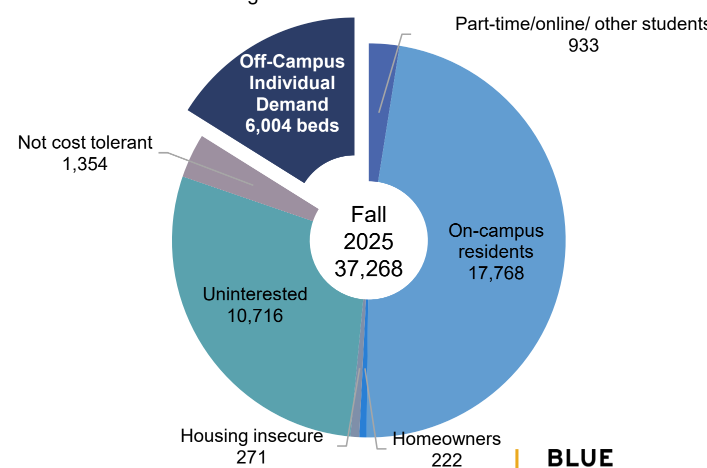
Blue Cottage's demand model combines UCI's enrollment data with student survey responses to estimate the number of students who would have leased the Project in Fall 2025. The model begins with the full-time off-campus student population and excludes students least likely to live in the Project, resulting in a reasonably available market (RAM) of 18,074 students.

The RAM is further refined to remove students who indicated they were not interested in the Project and those whose current housing costs fall more than 20% below the proposed rents.

After applying these filters, the model identifies approximately 6,000 students who would have been both interested in and financially capable of leasing the Project.

| Tier 1 | Headcount | Source |
|---|---|---|
| 37,268 | Fall 2025 enrollment | UC Irvine data |
| (933) | minus part-time/other/online | UC Irvine data |
| (17,768) | minus on-campus residents | UC Irvine data |
| **18,567** | **Full-Time Off-Campus Headcount** | |
| (222) | minus homeowners | survey extrapolation |
| (271) | minus housing insecure | survey extrapolation |
| **18,074** | **RAM (Reasonably Available Market)** | |
| (10,716) | minus individual uninterested | survey extrapolation |
| (1,354) | minus individual not cost tolerant | survey extrapolation |
| **6,004** | **Fall 2025 Off-Campus Individual Demand** | |

Single Student Incremental Demand






BLUE COTTAGE of CannonDesign

# Unit Preference

Four-bedroom apartments are the clear market preference, with demand substantially exceeding the Project's planned supply. Interest in two-bedroom and one-bedroom units further supports the Project's overall unit mix.

Students were first asked to select their preferred unit type and then identify any additional unit types they would consider if their first choice were unavailable. This approach captures both primary preferences and overall flexibility, providing a more realistic measure of market demand.

Four-bedroom apartments emerged as the most popular option, representing 48% of first-choice preferences and an 82% maximum acceptance rate when secondary choices are included. Two-bedroom and one-bedroom apartments attracted 25% and 27% of first-choice demand, respectively.

When translated into bed demand, the survey indicates capacity for approximately 2,875 four-bedroom beds, 1,599 one-bedroom beds, and 1,529 two-bedroom beds. Compared with the proposed unit mix, these findings demonstrate that student preferences comfortably support the Project.

| Unit | Rate | Demand | | | Proposed Project Mix | |
|---|---|---|---|---|---|---|
| | | Bed Count | Percentage | Maximum | Bed Count | Percentage |
| 2-Dbl-BR Apartment | $899/mo | 1,529 | 25% | 48% | 312 | 29% |
| 4-Sgl-BR Apartment | $1,229/mo | 2,875 | 48% | 82% | 700 | 66% |
| 1-Sgl-BR Apartment | $1,845/mo | 1,599 | 27% | 44% | 53 | 5% |
| | | **6,004** | **100%** | | **1,065** | **100%** |

The **Maximum** percentage includes both those who preferred the unit and those who would find it acceptable if their preferred unit were not available.

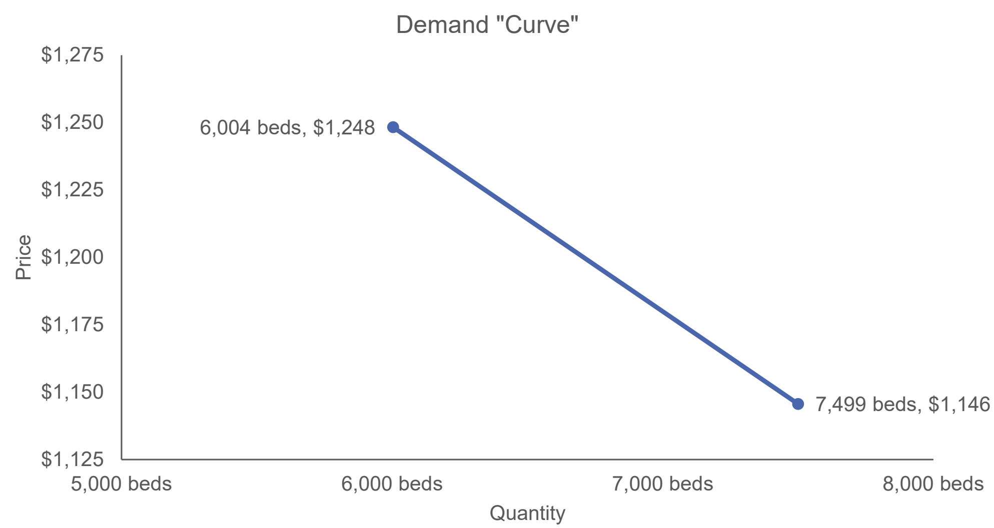
# Price Sensitivity

Demand is highly sensitive to price. An approximate 10% reduction in rents increases demand by approximately 25%, while a comparable increase in rents would be expected to reduce demand by a similar amount.

The chart below shows a two-point linear demand curve for the Project. A demand curve is simply a way of illustrating how the number of students who would move into the Project changes as the rent changes. Lower rents attract more students; higher rents attract fewer.

To build the curve, the survey first measured demand at the rents tested in the survey. Then, respondents who said they were not interested specifically because of cost were asked a follow-up question: would they have been interested if those rents had been 10% lower? Their answers give a second, lower-priced demand point. Connecting the two points with a straight line produces the "two-point linear" demand curve shown in the chart.

At the 10%-lower rent level, demand grew by nearly 1,500 additional beds compared with the tested rents. In other words, a relatively modest reduction in monthly cost would pull a meaningful number of additional students into the Project. This confirms that students are clearly sensitive to price, and it suggests that demand would similarly decline if rates were increased.



# Appendices

I. Blue Cottage at a Glance
II. Off Campus Market Data
III. Peer Institution Data
IV. Demand Methodology

# Blue Cottage of Cannon Design

Formerly Scion Advisory Services

- Our **only focus** since inception in 1999 has been **campus housing**
- Provided advisory services in more than **300 campus markets throughout North America and internationally**
- **Well-respected** by investors, underwriters and others in the capital markets
- **Multidisciplinary advisors** comprised of economists, planners, financial analysts, and former higher education student housing administration
- Real-time operational data and benchmarks from the ownership and management of **over 92,000 student housing beds**
- **Proven collaborative processes** that utilize appropriate market data and precise analysis so that our clients can make the most informed decisions

# Off Campus Market Data

# A

Appendix

**Conventional Properties**

| Apartment Community | Owner / Manager | DTC (mi) | Year Built | # of Units | Jan 2026 Occup | Appl Fee | Sec Dep | Studio | | | One Bedroom | | | Two Bedroom | | | | | Three Bedroom | | | | | Four Bedroom | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Rent | SF | Rent/ SF | Rent | SF | Rent/ SF | Rent | SF | # BA | Rent/ SF | Per BR | Rent | SF | # BA | Rent/SF | Per BR | Rent | SF | # BA | Rent/ SF | Per BR |
| Ambrose | Irvine Company | 0.23 | 1991 | 162 | 98.8% | $45 | $600- 1M Rent | $2,540 | 504 | $5.04 | *$3,175* | 773 | *$4.11* | $3,920 | 976 | 2.0 | $4.02 | $1,960 | | | | | | | | | | |
| | | | | | | | | $2,950 | 592 | $4.98 | | 815 | | N/A | 1,031 | 2.0 | | | | | | | | | | | | |
| | | | | | | | | N/A | 574 | N/A | | | | | | | | | | | | | | | | | | |
| | | | | | | | | N/A | 630 | N/A | | | | | | | | | | | | | | | | | | |
| Baypointe | Irvine Company | 0.29 | 1996 | 300 | 96.0% | $45 | $600- 1M Rent | | | | *$3,495* | *787* | *$4.44* | *$4,360* | 1,087 | 2.0 | $4.01 | $2,180 | | | | | | | | | | |
| | | | | | | | | | | | *$3,595* | *843* | *$4.26* | $4,405 | 1,087 | 2.0 | $4.05 | $2,203 | | | | | | | | | | |
| | | | | | | | | | | | $4,175 | 950 | *$4.39* | $4,480 | 1,180 | 2.0 | $3.80 | $2,240 | | | | | | | | | | |
| | | | | | | | | | | | | | | $4,490 | 1,243 | 2.0 | $3.61 | $2,245 | | | | | | | | | | |
| Dartmouth Court | Irvine Company | 0.21 | 1986 | 294 | 99.0% | $45 | | | | | $2,875 | 590 | *$4.87* | *$3,790* | 1,035 | 2.0 | $3.66 | $1,895 | | | | | | | | | | |
| | | | | | | | | | | | $3,035 | 850 | *$3.57* | $3,490 | 1,043 | 2.0 | $3.35 | $1,745 | | | | | | | | | | |
| | | | | | | | | | | | | | | | 1,045 | | | | | | | | | | | | | |
| Newport North | Irvine Company | 0.24 | 1986 | 570 | 92.2% | $45 | $600- 1M Rent | | | | $2,995 | 738 | *$4.06* | $3,585 | 940 | 2.0 | $3.81 | $1,793 | | | | | | | | | | |
| | | | | | | | | | | | $3,040 | 711 | *$4.28* | $3,555 | 1,125 | 2.0 | $3.16 | $1,778 | | | | | | | | | | |
| | | | | | | | | | | | $3,305 | 888 | *$3.72* | $3,490 | 1,103 | 2.5 | $3.16 | $1,745 | | | | | | | | | | |
| Newport Ridge | Irvine Company | 1.66 | 1996 | 512 | 94.0% | $45 | $600- 1M Rent | | | | *$3,550* | 796 | *$4.46* | *$3,690* | 1,060 | 2.0 | $3.48 | $1,845 | | | | | | | | | | |
| | | | | | | | | | | | $3,620 | *847* | *$4.27* | *$4,065* | 1,039 | 2.0 | $3.91 | $2,033 | | | | | | | | | | |
| | | | | | | | | | | | N/A | *979* | | *$4,060* | 1,121 | | $3.62 | $2,030 | | | | | | | | | | |
| | | | | | | | | | | | | | | N/A | 1,155 | | | | | | | | | | | | | |
| Park West | UDR Inc | 1.29 | 1972 | 880 | 94.3% | $45 | $600- 1M Rent | | | | *$2,440* | 795 | *$3.07* | $2,745 | 1,034 | 1.0 | $2.65 | $1,373 | $3,790 | 1,325 | 2.0 | $2.86 | $1,263 | | | | | |
| | | | | | | | | | | | | | | *$2,695* | 1,060 | 1.0 | $2.54 | $1,348 | | | | | | | | | | |
| | | | | | | | | | | | | | | *$2,870* | 1,113 | 2.0 | $2.58 | $1,435 | | | | | | | | | | |
| Parkwood | Pacific Urban Investors | 1.30 | 1974 | 296 | 96.0% | $45 | $600- 1M Rent | | | | *$2,485* | 749 | *$3.32* | *$2,695* | 963 | 1.0 | $2.80 | $1,348 | $3,795 | 1,231 | 2.0 | $3.08 | $1,265 | | | | | |
| | | | | | | | | | | | | | | $2,825 | 1,017 | | $2.78 | $1,413 | | | | | | | | | | |

**Conventional Properties Continued**

| Apartment Community | Owner / Manager | DTC (mi) | Year Built | # of Units | Jan 2026 Occup | Lease Terms | Appl Fee | Sec Dep | Studio | | | One Bedroom | | | Two Bedroom | | | | | Three Bedroom | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Rent | SF | Rent/ SF | Rent | SF | Rent/ SF | Rent | SF | # BA | Rent/ SF | Per BR | Rent | SF | # BA | Rent/SF | Per BR |
| Rancho San Joaquin | Camden Property Trust | 0.84 | 1976 | 368 | 95.9% | | $45 | $600- 1M Rent | | | | $2,525 | 642 | *$3.93* | $2,995 | 1,011 | 1.0 | $2.96 | $1,498 | | | | | |
| | | | | | | | | | | | | $2,575 | 803 | *$3.21* | $3,175 | 1,124 | 2.0 | $2.82 | $1,588 | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| Toscana Apartments | Kort & Scott Financial Group | 0.88 | 1992 | 563 | 98.0% | | | | $2,356 | 525 | | $2,637 | 828 | *$3.18* | $3,056 | 1,085 | 2.0 | $2.82 | $1,528 | | | | | |
| | | | | | | | | | $2,405 | 576 | | $2,691 | 828 | *$3.25* | $3,125 | 1,085 | 2.0 | $2.88 | $1,563 | | | | | |
| | | | | | | | | | | | | $2,708 | 828 | *$3.27* | $3,163 | 1,085 | 2.0 | $2.92 | $1,582 | | | | | |
| Bordeaux | PLC Land Company | 0.57 | 2002 | 191 | 97.4% | | $45 | $600- 1M Rent | | | | $3,410 | 598 | *$5.70* | $5,125 | 1394 | 2.5 | $3.68 | $2,563 | N/A | 1,612 | 2.5 | | |
| | | | | | | | | | | | | N/A | *504* | | $5,215 | 1,420 | 2.5 | $3.67 | $2,608 | N/A | 1,748 | 2.5 | | |
| | | | | | | | | | | | | | 583 | | N/A | 1,283 | 2.5 | | | | | | | |
| Harvard Manor Apartments | Irvine Company | 0.16 | 1984 | 160 | 98.8% | | | | | | | *$2,580* | *513* | *$5.03* | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| Kelvin Court Apartments | 0 | 2.05 | 2008 | 132 | 93.9% | | | | | | | $2,625 | 719 | *$3.65* | $3,389 | 1,033 | 2.0 | $3.28 | $1,695 | | | | | |
| | | | | | | | | | | | | $2,697 | 708 | *$3.81* | $3,575 | 1,033 | 5.0 | $3.46 | $1,788 | | | | | |
| Enzo | 0 | 1.42 | 2025 | 287 | 0.0% | | | | | | | $2,944 | 592 | $4.97 | $4,235 | 1,103 | 2.0 | $3.84 | $2,118 | | | | | |
| | | | | | | | | | | | | $3,135 | 719 | $4.36 | $3,925 | 1,058 | 2.0 | $3.71 | $1,963 | | | | | |
| | | | | | | | | | | | | $2,632 | 714 | $3.69 | $4,320 | 1,099 | 2.0 | $3.93 | $2,160 | | | | | |
| | | | | | | | | | | | | $3,430 | 810 | $4.23 | $4,475 | 1,157 | 2.0 | $3.87 | $2,238 | | | | | |
| | | | | | | | | | | | | $3,590 | 792 | $4.53 | $4,840 | 1,167 | 2.0 | $4.15 | $2,420 | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |

**Conventional Properties Continued**

| Apartment Community | Owner / Manager | DTC (mi) | Year Built | # of Units | Jan 2026 Occup | Lease Terms | Appl Fee | Sec Dep | Studio | | | One Bedroom | | | Two Bedroom | | | | | Three Bedroom | | | | | Four Bedroom | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Rent | SF | Rent/ SF | Rent | SF | Rent/ SF | Rent | SF | # BA | Rent/ SF | Per BR | Rent | SF | # BA | Rent/SF | Per BR | Rent | SF | # BA | Rent/ SF | Per BR |
| Stanford Court | Irvine Company | 0.13 | 1985 | 320 | 99.06 | 12M | $45 | $600-1M | | | | 2940 | ##### | $3.93 | N/A | 844 | 1.0 | N/A | N/A | | | | | | | | | | |
| | | | | | | | | | | | | $2,965 | 687 | $4.32 | N/A | 929 | 1.0 | N/A | N/A | | | | | | | | | | |
| | | | | | | | | | | | | $3,040 | 687 | $4.43 | N/A | 1,029 | 2.0 | N/A | N/A | | | | | | | | | | |
| Woodbridge | | | | 375 | | | | | | | | 2487 | 468 | $5.31 | $3,219 | 853 | 1.0 | $3.77 | 1609.5 | 4,194 | 1,164 | 2.0 | $3.60 | $1,398 | | | | | |
| | | | | | | | | | | | | $2,429 | 634 | $3.83 | $3,570 | 934 | 2.0 | $3.82 | 1785.0 | | | | | | | | | | |
| | | | | | | | | | | | | $2,587 | 698 | $3.71 | $3,333 | 960 | 2.0 | $3.47 | 1666.5 | | | | | | | | | | |
| | | | | | | | | | | | | $2,743 | 824 | $3.33 | | | | | | | | | | | | | | | |
| The Residences on Jamboree | UDR | 3.40 | | 381 | | 12M | | $500 | | | | | | | | | | | | | | | | | $6,600 | N/A | 2.0 | N/A | $1,650 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

## Conventional Apartment Amenities

| Apartment Community | Utilities Included | | | | Unit Amenities | | | | Community Features | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Elec | Gas | W/S | INT | AC | DW | WD | Pat / Balc | Pool | CH / Lounge | Workout | Bus Ctr | Study Room / Office | BBQ | Roof Terrace | Game Room | Coffee Bar | On-Site Laundry | Dog Run/Park | Pet Grooming Station | Bike Storage | Extra Storage |
| Ambrose | N | N | N | N | Y | Y | Y | | Y | Y | Y | | | | | | | | | | | Y |
| Baypointe | N | N | N | N | Y | Y | Y | Y | Y | Y | Y | | | Y | | | | | | | | Y |
| Dartmouth Court | N | N | N | N | Y | Y | Y | Y | Y | Y | Y | | | | | | | | | | | |
| Newport North | N | N | N | N | Y | Y | Y | Y | | Y | Y | | | | | | | | | | | Y |
| Newport Ridge | N | N | N | N | Y | Y | Y | Y | Y | Y | Y | | | Y | | | | | | | | Y |
| Parkwood | N | N | N | N | Y | Y | N | Y | Y | | | | | Y | | | | Y | | | | Y |
| Rancho San Joaquin | N | N | N | N | Y | Y | N | Y | Y | Y | | | | Y | | | | Y | | | | |
| Toscana Apartments | | | | | Y | Y | Y | Y | Y | Y | Y | | | Y | | | | Y | | | | |
| Bordeaux | N | N | N | N | Y | Y | Y | Y | Y | Y | Y | | | | | | | | Y | | | |
| Harvard Manor Apartments | N/A | N/A | N/A | N/A | Y | Y | | | Y | Y | Y | | | | | | | Y | | | | |
| Kelvin Court Apartments | N/A | N/A | N/A | N/A | Y | Y | Y | Y | Y | Y | Y | | | Y | | Y | | | | | | |
| Enzo | | | | | | | | | | | | | | | | | | | | | | |
| Stanford Court | N | N | N | N | Y | N | N | Y | Y | Y | Y | N | Y | Y | N | N | N | Y | N | | | |
| Woodbridge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | Y | Y | Y | Y | N | N | N | N | N | N | Y | Y | | | |
| The Residences on Jamboree | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | N | N | Y | Y | Y | N | N | N | | | |

## Shadow Market

| Type | Address | DTC | Lease Terms | App Fee | Admin Fee | Security Deposit | 1BR | PPR w/ Util. | 2BR | # BA | PPR | 3BR | # BA | PPR | 4BR | # BA | PPR | 5BR | # BA | PPR |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Studio / ADU | 25 Marble Sands, Newport Beach, CA | 5.1 | Monthly | $250 | - | $500 | $2,750 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| SFR | 52 Eider Run, Irvine, CA 92618 | 6.7 | Monthly | $59 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $6,000 | 4 | $1,500 | - | - | - |
| SFR | 5334 E Pamela Kay Ln, Anaheim, CA 92807 | 17 | Monthly | $40 | - | 1 Month Rent | - | - | - | - | - | - | - | - | - | - | - | $6,500 | 3 | $1,300 |
| SFR | 11945 S Della Ln, Garden Grove, CA 92840 | 14 | Monthly | $40 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $5,500 | 3 | $1,375 | - | - | - |
| TH | 28 Arborside, Irvine, CA 92603 | 2.5 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $5,800 | 2.5 | $1,933 | - | - | - | - | - | - |
| SFR | 19 Fulton, Irvine, CA 92620 | 5.8 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $6,800 | 4 | $1,700 | - | - | - |
| SFR | 23 Cormorant Cir, Newport Beach, CA 92660 | 4.8 | Monthly | $40 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $7,200 | 3 | $1,800 | - | - | - |
| SFR | 5438 Via Carrizo, Laguna Woods, CA 92637 | 12 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $4,500 | 2 | $1,500 | - | - | - | - | - | - |
| TH | 27 New Mdws, Irvine, CA 92602 | 5.9 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $5,950 | 3 | $1,488 | - | - | - |
| TH | 164 Pavilion Park, Irvine, CA 92618 | 5.5 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $5,200 | 2.5 | $1,733 | - | - | - | - | - | - |
| TH | 21 Solstice, Irvine, CA 92603 | 2.9 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $5,600 | 2.5 | $1,867 | - | - | - | - | - | - |
| SFR | 15 Sagecrest, Lake Forest, CA 92630 | 9.8 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $6,300 | 3 | $1,575 | - | - | - |
| TH | 7 Lakeview, Irvine, CA 92604 | 4.6 | Monthly | $39 | - | 1 Month Rent | - | - | $4,200 | 2 | $2,100 | - | - | - | - | - | - | - | - | - |
| SFR | 25 Brookfield, Irvine, CA 92604 | 4.4 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $5,300 | 2 | $1,767 | - | - | - | - | - | - |
| SFR | 3604 Hazard Ave, Santa Ana, CA 92703 | 15 | Monthly | $40 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $5,800 | 2 | $1,450 | - | - | - |
| Condo | 341 Avenida Sevilla, Laguna Woods, CA 92637 | 13 | Monthly | $39 | - | 1 Month Rent | $2,400 | $2,400 | - | - | - | - | - | - | - | - | - | - | - | - |
| TH | 27 New Mdws, Irvine, CA 92602 | 5.9 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $5,950 | 3 | $1,488 | - | - | - |
| TH | 164 Pavilion Park, Irvine, CA 92618 | 5.5 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $5,200 | 2.5 | $1,733 | - | - | - | - | - | - |
| TH | 21 Solstice, Irvine, CA 92603 | 2.9 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $5,600 | 2.5 | $1,867 | - | - | - | - | - | - |
| SFR | 15 Sagecrest, Lake Forest, CA 92630 | 9.8 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $6,300 | 3 | $1,575 | - | - | - |
| TH | 7 Lakeview, Irvine, CA 92604 | 4.6 | Monthly | $39 | - | 1 Month Rent | - | - | $4,200 | 2 | $2,100 | - | - | - | - | - | - | - | - | - |
| SFR | 25 Brookfield, Irvine, CA 92604 | 4.4 | Monthly | $39 | - | 1 Month Rent | - | - | - | - | - | $5,300 | 2 | $1,767 | - | - | - | - | - | - |
| SFR | 3604 Hazard Ave, Santa Ana, CA 92703 | 15 | Monthly | $40 | - | 1 Month Rent | - | - | - | - | - | - | - | - | $5,800 | 2 | $1,450 | - | - | - |
| Condo | 341 Avenida Sevilla, Laguna Woods, CA 92637 | 13 | Monthly | $39 | - | 1 Month Rent | $2,400 | $2,400 | - | - | - | - | - | - | - | - | - | - | - | - |

# Peer Institutions

B
Appendix

# Peer Housing Rates – Per Academic Year

| | Traditional | | | Semi Suite | | | Suite | | | Apartments | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Institution | Traditional Single | Traditional Double | Traditional Triple | 2BR Double | 2BR Triple | 4BR Single | 2BR Double | 3BR Double | 4BR Double | Studio Apartment | 1BR Single Apartment | 2BR Single Apartment | 3BR Single Apartment | 2BR Double Apartment | 4BR Single Apartment |
| UC Irvine | $16,152 | $13,269 | $10,680 | | | | | | | | $21,618 | $16,785 | $15,120 | $10,748 | $14,457 |
| Project Rates | | | | | | | | | | | $22,142 | | | $10,864 | $14,747 |
| UC Davis | $15,939 | $13,845 | $11,988 | $13,845 | $11,988 | | $13,845 | $13,845 | $13,845 | $21,200 | $15,888 | $15,900 | $15,888 | $10,584 | $14,540 |
| UC San Diego | $13,889 | $12,190 | $11,034 | | | | $14,474 | $10,503 | $12,745 | | $11,599 | | | | |
| UC Los Angeles | $17,248 | $13,543 | $10,135 | | $19,542 | $13,021 | $16,268 | $13,021 | | | | | | | |
| Min | $13,889 | $12,190 | $10,135 | $13,845 | $11,988 | $13,021 | $13,845 | $10,503 | $12,745 | $21,200 | $11,599 | $15,900 | $15,888 | $10,584 | $14,540 |
| Average | $15,692 | $13,193 | $11,052 | $13,845 | $15,765 | $13,021 | $14,862 | $12,456 | $13,295 | $21,200 | $13,744 | $15,900 | $15,888 | $10,584 | $14,540 |
| Max | $17,248 | $13,845 | $11,988 | $13,845 | $19,542 | $13,021 | $16,268 | $13,845 | $13,845 | $21,200 | $15,888 | $15,900 | $15,888 | $10,584 | $14,540 |

| Institution | Traditional Single | Traditional Double | Traditional Triple | 2BR Double | 2BR Triple | 4BR Single | 2BR Double | 3BR Double | 4BR Double | Studio Apartment | 1BR Single Apartment | 2BR Single Apartment | 3BR Single Apartment | 2BR Double Apartment | 4BR Single Apartment |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Peers Minimum | $13,889 | $12,190 | $10,135 | $13,845 | $11,988 | $13,021 | $13,845 | $10,503 | $12,745 | $21,200 | $11,599 | $15,900 | $15,888 | $10,584 | $14,540 |
| UC Irvine | $16,152 | $13,269 | $10,680 | | | | | | | | $21,618 | $16,785 | $15,120 | $10,748 | $14,457 |
| Project Rates | | | | | | | | | | | $22,142 | | | $10,864 | $14,747 |
| Peers Maximum | $17,248 | $13,845 | $11,988 | $13,845 | $19,542 | $13,021 | $16,268 | $13,845 | $13,845 | $21,200 | $15,888 | $15,900 | $15,888 | $10,584 | $14,540 |

UC Irvine excludes Arroya Vista as there are no comparable unit types at the Peers

# Demand Methodology

C

Appendix

# Demand Methodology

The demand analysis indicates demand of approximately 6,000 beds, well above the proposed bed count of 1,065.

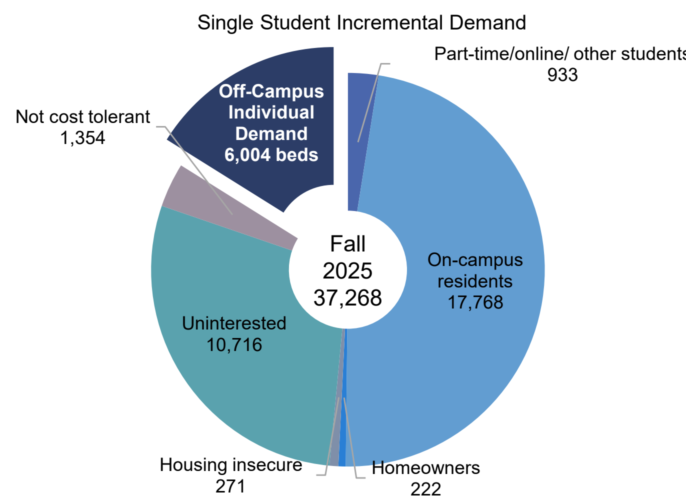
Blue Cottage's demand model combines UC Irvine data with student survey responses to estimate how many students would have moved into the Project in Fall 2025, based on the unit types and monthly rents tested in the survey.

The estimate leaves out students already living on campus, so the demand does not depend on emptying existing buildings. UC Irvine housing and ACC Apartments are both counted as on-campus for this step.

Uninterested students are those who said they would not live in any of the proposed units, plus those who picked a unit but then answered “No” when asked if they would actually move in. Half of the “Maybe” responses are also removed.

Blue Cottage then applies a cost tolerance check, removing students who would have to pay more than 20% above their current housing costs to afford the average rent in the Project.

| Tier 1 | Headcount | Source |
|---|---|---|
| 37,268 | Fall 2025 enrollment | UC Irvine data |
| (933) | minus part-timeother/online | UC Irvine data |
| (17,768) | minus on-campus residents | UC Irvine data |
| **18,567** | **Full-Time Off-Campus Headcount** | |
| (222) | minus homeowners | survey extrapolation |
| (271) | minus housing insecure | survey extrapolation |
| **18,074** | **RAM (Reasonably Available Market)** | |
| (10,716) | minus individual uninterested | survey extrapolation |
| (1,354) | minus individual not cost tolerant | survey extrapolation |
| **6,004** | **Fall 2025 Off-Campus Individual Demand** | |



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# APPENDIX I

## SPECIMEN MUNICIPAL BOND INSURANCE POLICY

**MUNICIPAL BOND**
**INSURANCE POLICY**
**(Annual Payments)**

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Initial Risk Premium: $__________
Initial Member Surplus Contribution: $ _________
Total Initial Insurance Payment: $_________
Annual Insurance Payments: see attached Schedule A

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked, whether for failure to pay any Installment Payment set forth in the attached Schedule or otherwise.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ______________________________________
Authorized Officer

**Schedule A to**
**Municipal Bond Policy No. _________**

In consideration for the issuance of the Policy on the closing date and as provided in the Bond documents, the Issuer has paid, or caused to be paid, an initial insurance payment comprised of an Initial Risk Premium and an Initial Member Surplus Contribution. Beginning on __________ __, _____, and on each one-year anniversary thereafter, the Issuer shall pay, or cause to be paid, an annual payment (the "Annual Insurance Payments") on the principal amount of Bonds outstanding on such date, (taking into account any principal payment made on the Bonds on such date), at the rate of ___% as further consideration for the issuance of the Policy as set forth below. No portion of the Initial Risk Premium, the Initial Member Surplus Contribution, or any paid Annual Insurance Payment is refundable for any reason, including without limitation any legal defeasance or payment on the Bonds prior to maturity. The Annual Insurance Payments shown below assume that all Bonds are retired in accordance with their respective maturity and mandatory sinking fund redemption requirements, and accordingly are subject to adjustment for actual par outstanding on such payment dates.

**Annual Insurance Payments**

| **Annual Insurance Payment Date** | **Member Surplus Contribution** | **Risk Premium** | **Total Annual Insurance Payment** |
|---|---|---|---|

**Notices (Unless Otherwise Specified by BAM)**

Email:
claims@buildamerica.com
Address:
28 Liberty Street, 59th Floor
New York, New York 10005
Telecopy:
212-962-1524 (attention: Claims)

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY • STUDENT HOUSING REVENUE BONDS
(UNIVERSITY OF CALIFORNIA, IRVINE EAST CAMPUS APARTMENTS, CHF–IRVINE, L.L.C.) SERIES 2026 AND REFUNDING SERIES 2027 (FORWARD DELIVERY)


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