

\$ _____
**The FAU Finance Corporation
Capital Improvement Revenue Bonds
(Student Housing Project),
Series 2012A**

BOND PURCHASE AGREEMENT

_____, 2012

The FAU Finance Corporation
777 Glades Road
Boca Raton, Florida 33431

Ladies and Gentlemen:

Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Underwriter") hereby offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with The FAU Finance Corporation, a Florida not-for-profit corporation and a university direct-support organization (the "Issuer") of Florida Atlantic University (the "University"), whereby the Underwriter will purchase and the Issuer will sell the Bonds (as defined and described below). The Underwriter is making this offer subject to the acceptance by the Issuer at or before 5:00 P.M., Boca Raton, Florida time, on the date hereof. If the Issuer accepts this Purchase Agreement, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall bind both the Issuer and the Underwriter. The Underwriter may withdraw this Purchase Agreement upon written notice delivered by the Underwriter to the Chairperson of the Issuer at any time before the Issuer accepts this Purchase Agreement. Capitalized terms used but not defined in this Purchase Agreement are defined in the Indenture (as defined below).

1. Purchase and Sale. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the following bonds: Capital Improvement Revenue Bonds (Student Housing Project), Series 2012A (the "Bonds"), at the purchase price of \$_____, representing the aggregate principal amount of the Bonds, less an Underwriter's discount of \$_____, plus/less net bond premium/original issue discount of \$_____.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter, as Underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the Issuer and the Underwriter and the Underwriter has financial and other interests that differ from those of the Issuer; (ii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter has to the

Issuer with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (iv) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

2. Description and Purpose of the Bonds. The Bonds have been authorized pursuant to Chapter 617, Section 1004.28 and Section 1010.62, Florida Statutes and other applicable provisions of law (the "Act"), a resolution adopted by the Board of Governors of the State of Florida (the "Board of Governors") on June 21, 2012 (the "Board of Governors Resolution"), a resolution adopted by the Board of Trustees of the University on _____, 2012 (the "University Resolution") and resolutions adopted by the Board of Directors of the Issuer on _____, 2012 and _____, 2012 (the "Issuer Resolutions," and together with the Board of Governors Resolution and the University Resolution, the "Resolutions"). The Bonds shall be dated their date of delivery. The Bonds shall be issued and secured under and pursuant to the Trust Indenture, dated as of _____ 1, 2012 (the "Indenture"), by and between the Issuer and U.S. Bank National Association, as trustee (the "Trustee").

The proceeds of the sale of the Bonds will be used to (i) finance the acquisition, construction and installation of a new student housing facility which includes approximately 190,000 square feet and approximately 614 beds and related infrastructure (the "2012 Facilities"), [(ii) fund a deposit to the Series 2012 Account of the Reserve Fund,] (iii) pay capitalized interest on the Bonds, and (iv) pay certain costs of issuance associated with the Bonds.

The Bonds will be secured under the provisions of the Act and the Indenture. The Bonds shall mature in the years, bear interest, be purchased at the prices and be subject to optional and mandatory redemption at the times and in the amounts, all as set forth in Schedule I attached hereto. The Authorized Denominations, Record Date, Interest Payment Dates and other details and particulars of the Bonds shall be as described in the Indenture and the Official Statement (as defined below) of the Issuer.

3. Public Offering and Good Faith Check. The Underwriter agrees to make a *bona fide* public offering of the Bonds at a price not in excess of the initial offering price or prices or yields not less than the yields set forth on the inside cover page of the printed paper form of the Official Statement of the Issuer; *provided, however*, the Underwriter reserves the right to change such initial public offering prices as the Underwriter deems necessary or desirable, in its sole discretion, in connection with the marketing of the Bonds, and may offer and sell the Bonds to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by the Underwriter at prices lower than the public offering prices or yields greater than the yields set forth therein. The Underwriter shall provide to the Issuer a certificate setting forth the offering prices of the Bonds in substantially the form set forth on Exhibit A.

Delivered to the Issuer herewith is a corporate check payable to its order in the amount of \$_____ for the Bonds (the "Good Faith Check"). If the Issuer does not accept this offer, the Issuer shall promptly return the Good Faith Check to the Underwriter. If it accepts this offer, the Issuer agrees to hold the Good Faith Check uncashed until the Closing. At the Closing and upon the delivery of the Bonds, the Issuer shall return the Good Faith Check to the Underwriter

and the Underwriter shall pay the Issuer the entire purchase price of the Bonds. If the Issuer fails to deliver the Bonds at the Closing, or if the Issuer shall be unable to satisfy the conditions of the obligations of the Underwriter set forth in this Purchase Agreement (unless waived by the Underwriter), or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Agreement, the Issuer shall promptly return the Good Faith Check to the Underwriter and such return shall constitute a full release and discharge of all claims and rights hereunder of the Underwriter against the Issuer. If the Underwriter fails (other than for a reason permitted herein) to accept delivery of and to pay for the Bonds at the Closing as herein provided, the Issuer shall retain and cash the Good Faith Check as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriter and, except as set forth in this Section and Sections 5 and 9 hereof, neither party shall have any further rights against the other hereunder. No interest shall be paid by the Issuer upon the principal amount of the Good Faith Check.

4. Delivery of the Official Statement and Other Documents.

(a) The Issuer has delivered or caused to be delivered to the Underwriter copies of the Preliminary Official Statement dated _____, 2012 (together with the cover page and appendices thereto, the "Preliminary Official Statement"). It is acknowledged by the Issuer that the Underwriter may deliver the Preliminary Official Statement and a final Official Statement (as hereinafter defined) electronically over the internet and in printed paper form. For purposes of this Purchase Agreement, the printed paper form of the Preliminary Official Statement and the Official Statement are deemed controlling. The Issuer deems the Preliminary Official Statement final as of its date and as of the date hereof for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for any information which is permitted to be omitted therefrom in accordance with paragraph (b)(1) thereof.

(b) Within seven (7) business days from the date hereof, and in any event not later than two (2) business days before the Closing Date, the Issuer shall deliver to the Underwriter a final Official Statement relating to the Bonds dated the date hereof (such Official Statement, including the cover page, and all appendices attached thereto, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements and statements incorporated by reference therein or attached thereto, as have been approved by the Issuer, Bond Counsel, Disclosure Counsel and the Underwriter, is referred to herein as the "Official Statement") and such additional conformed copies thereof as the Underwriter may reasonably request in sufficient quantities to comply with Rule 15c2-12, rules of the Municipal Securities Rulemaking Board ("MSRB") and to meet potential customer requests for copies of the Official Statement. The Underwriter agrees to file a copy of the Official Statement, including any amendments or supplements thereto prepared by the Issuer, with the MSRB on its Electronic Municipal Markets Access ("EMMA") system. The Issuer shall execute the Official Statement by an authorized officer of the Issuer. The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the Issuer shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriter. The Underwriter hereby agrees to cooperate and assist in the preparation of the Official Statement. The Issuer hereby agrees to deliver to the Underwriter an

electronic copy of the Official Statement in a form that permits the Underwriter to satisfy its obligations under the rules and regulations of the MSRB and the U.S. Securities and Exchange Commission ("SEC"). The Issuer hereby ratifies, confirms and approves the use and distribution by the Underwriter before the date hereof of the Preliminary Official Statement and hereby authorizes the Underwriter to use the Official Statement and the Indenture in connection with the public offering and sale of the Bonds.

(c) In order to assist the Underwriter in complying with Rule 15c2-12, the Issuer will undertake, pursuant to the Continuing Disclosure Undertaking, dated as of _____, 2012 (the "Disclosure Undertaking"), to provide annual financial information and notices of the occurrence of specified events. A description of the Disclosure Undertaking is set forth in, and a form of such agreement is attached as an appendix to, the Preliminary Official Statement and the Official Statement.

(d) Delivered to the Issuer herewith by the Underwriter and attached hereto as Exhibit B is a disclosure statement of the Underwriter pursuant to Section 218.385, Florida Statutes.

5. Representations. The Issuer represents to and agrees with the Underwriter that:

(a) The Issuer is duly organized and validly existing, with full legal right, power and authority to issue, sell and deliver the Bonds to the Underwriter pursuant to the Indenture, and execute, deliver and perform its obligations, as the case may be, under this Purchase Agreement, the Indenture, the Bonds, the Disclosure Undertaking, the Management Agreement, the Construction Agreements and the Ground Sublease Agreement (collectively, the "Issuer Documents") and to perform and consummate all obligations and transactions required or contemplated by each of the Issuer Documents and the Official Statement.

(b) The Issuer Resolutions approving and authorizing the execution and delivery by the Issuer of the Issuer Documents was duly adopted at a meeting of the Board of Directors of the Issuer called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(c) The Indenture and the Bonds conform to the descriptions thereof contained in the Official Statement and the Bonds, when duly issued and authenticated in accordance with the Indenture and delivered to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Issuer, entitled to the benefits of the Indenture and payable from the sources therein specified.

(d) The Issuer has executed and delivered, or will execute and deliver on or before the Closing Date, each of the Issuer Documents. Each of the Issuer Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid and binding obligation of the Issuer enforceable in accordance with its respective terms, subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. To the best knowledge of the Issuer, each of the Issuer Documents has been executed and delivered, or will be executed and delivered on or before the Closing Date, by each respective

signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect.

(e) Except as described in the Official Statement, the Issuer is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State of Florida (the "State") or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below), and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any Material Judgment or Agreement; and the adoption of the Issuer Resolutions, the issuance, delivery and sale of the Bonds and the execution and delivery of the Issuer Documents and compliance with and performance of the Issuer's obligations therein and herein will not in any material respect conflict with, violate or result in a breach of or constitute a default under, any such constitutional provision, law, administrative regulation or any Material Judgment or Agreement, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer or under the terms of any such law, administrative regulation or Material Judgment or Agreement. As used herein, the term "Material Judgment or Agreement" means any judgment or decree or any loan agreement, indenture, bond, note or resolution or any material agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets is otherwise subject (including, without limitation, the Act, the Issuer Resolutions and the Issuer Documents).

(f) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body having jurisdiction which would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the Issuer Documents have been obtained; *provided*, that the Issuer makes no representations as to any approvals, consents or other actions which may be necessary to qualify the Bonds for offer and sale under Blue Sky or other state securities laws or regulations.

(g) Any certificates executed by any officer of the Issuer and delivered to the Underwriter pursuant hereto or in connection herewith shall be deemed a representation and warranty of the Issuer as to the accuracy of the statements therein made.

(h) Between the date hereof and the time of the Closing, the Issuer shall not, without the prior written consent of the Underwriter, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the Issuer or except for such borrowings as may be described in or contemplated by the Official Statement.

(i) The financial statements of the Issuer as of June 30, 2011 fairly represent the receipts, expenditures, assets, liabilities and cash balances of such amounts and, insofar as presented, other funds of the Issuer as of the dates and for the periods therein set forth. Except as disclosed in the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the Issuer or in its operations since June 30, 2011 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(j) Except for information which is permitted to be omitted pursuant to Rule 15c2-12(b)(1), the Preliminary Official Statement (excluding therefrom the information under the caption "THE SERIES 2012 BONDS – Book-Entry Only System," as to which no representations or warranties are made), as of its date and as of the date hereof was and is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The Official Statement is, as of its date and at all times after the date of the Official Statement (excluding therefrom the information under the caption "THE SERIES 2012 BONDS – Book-Entry Only System," as to which no representations or warranties are made) up to and including the Closing Date will be, true and correct in all material respects and will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(l) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended) at all times subsequent thereto up to and including the time of the Closing, the Official Statement as so supplemented or amended will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(m) If between the date hereof and the time of Closing, any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter thereof, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer shall promptly (and in any event before the Closing) prepare and furnish (at the expense of the Issuer) a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Underwriter.

(n) Except as described in the Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the Issuer or against any other party of which the Issuer has notice or, to the knowledge of the Issuer, threatened against the Issuer, (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of any of the Issuer Documents, (iii) which is in any way contesting the creation, existence, powers or jurisdiction of the Issuer or the validity or effect of the Indenture or the Act or any provision thereof or the application of the proceeds of the Bonds or (iv) which, if adversely determined, could materially adversely affect the financial position or operating condition of the Issuer or the transactions contemplated by the Official Statement or any of the Issuer Documents. The Issuer shall advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency

prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Bonds.

(o) Except as disclosed in the Preliminary Official Statement, during the last five years, the Issuer has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

All representations, warranties and agreements of the Issuer shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive the delivery of the Bonds.

6. Closing. At 12:00 P.M., Eastern Time, on _____, 2012, or at such other time or date as the Underwriter and the Issuer may mutually agree upon as the date and time of the Closing (the "Closing Date"), the Issuer will deliver or cause to be delivered to the Underwriter, at the offices of Issuer, or at such other place as the Underwriter and the Issuer may mutually agree upon, the Bonds, through the facilities of The Depository Trust Company, New York, New York ("DTC"), duly executed and authenticated, and the other documents specified in Section 7. At the Closing, (a) upon satisfaction of the conditions herein specified, the Underwriter shall accept the delivery of the Bonds, and pay the purchase price therefor in federal funds payable to the order of the Trustee for the account of the Issuer and (b) the Issuer shall deliver or cause to be delivered the Bonds to the Underwriter through the facilities of DTC in definitive or temporary form, duly executed by the Issuer and in the authorized denominations as specified by the Underwriter at the Closing and the Issuer shall deliver the other documents hereinafter mentioned. The Bonds shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection.

7. Conditions Precedent. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the Issuer contained herein and the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the Closing Date.

(a) The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(i) The representations of the Issuer contained herein shall be true, complete and correct in all material respects on the date of acceptance hereof and on and as of the Closing Date.

(ii) At the time of the Closing, the Official Statement, the Resolutions and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter.

(iii) The Issuer shall perform or have performed all of its obligations required under or specified in the Resolutions, the Issuer Documents and the Official Statement to be performed at or prior to the Closing.

(iv) The Issuer shall have delivered to the Underwriter final Official Statements by the time, and in the numbers, required by Section 4 of this Purchase Agreement.

(v) As of the date hereof and at the time of Closing, all necessary official action of the Issuer relating to the Issuer Documents and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(vi) After the date hereof, up to and including the time of the Closing, there shall not have occurred any change in or particularly affecting the Issuer, the Act, the Resolutions, the Issuer Documents or the Pledged Revenues as the foregoing matters are described in the Official Statement, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the Bonds.

(vii) At or prior to the Closing, the Underwriter shall receive the following documents (in each case with only such changes as the Underwriter shall approve):

(1) The approving opinion of Bryant Miller Olive, P.A., Bond Counsel ("Bond Counsel") relating to the Bonds, dated the Closing Date, substantially in the form attached as Appendix E to the Official Statement, and a reliance letter with respect thereto addressed to the Underwriter;

(2) The supplemental opinion of Bond Counsel, addressed to the Underwriter, dated the Closing Date, to the effect that:

(A) This Purchase Agreement has been duly executed and delivered by the Issuer and is a legal, valid and binding obligation of the Issuer, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State of Florida;

(B) The statements contained in the Official Statement on the cover page and in the sections entitled "INTRODUCTION," "AUTHORIZATION FOR BONDS," "THE SERIES 2012 BONDS," (other than the information concerning DTC and the book-entry system) "SECURITY FOR THE 2012 BONDS" insofar as such statements expressly summarize certain provisions of the Indenture, the Bonds, and the section entitled, "TAX MATTERS" and such counsel's opinion attached as Appendix E to the Official Statement, are accurate in all material respects; and

- (C) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended (the "1933 Act") and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act");
- (3) A letter, dated the Closing Date and addressed to the Underwriter, from Bryant Miller Olive, P.A., Disclosure Counsel, to the effect that:
- (A) Based upon the information made available to them in the course of their participation in the preparation of the Official Statement and without passing on and without assuming any responsibility for the accuracy, completeness and fairness of the statements in the Official Statement, and having made no independent investigation or verification thereof, nothing has come to their attention which would lead them to believe that the Official Statement as of its date and as of the Closing Date (excluding therefrom any information in the Official Statement relating to DTC, the operation of the book-entry system or any other financial or statistical data or projections or estimates or expressions of opinion included in the Official Statement and the appendices thereto, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; and
 - (B) The Continuing Disclosure Undertaking satisfies the requirements of Section (b)(5)(i) of Rule 15c2-12 of the Rule 15c2-12, which provide for an undertaking for the benefit of the holders, including beneficial owners, of the Bonds to provide certain annual financial information and event notices to various information repositories at the times and in the manner required by the Rule 15c2-12.
- (4) The opinion of General Counsel of the Issuer, dated the date of the Closing and addressed to the Underwriter, to the effect that:
- (A) The Issuer has been duly organized and is validly existing as a Florida not-for-profit corporation under the Constitution and laws of the State of Florida, and has all requisite power and authority thereunder: (a) to adopt the Issuer Resolutions, and to enter into, execute, deliver and

perform its covenants and agreements under the Issuer Documents; (b) to approve and authorize the use, execution and distribution of the Preliminary Official Statement and the Official Statement; (c) to issue, sell, execute and deliver the Bonds; (d) to pledge the Pledged Revenues as contemplated by the Issuer Documents; and (e) to carry on its activities as currently conducted;

- (B) The Issuer has taken all actions required to be taken by it before the Closing Date material to the transactions contemplated by the documents mentioned in paragraph (a) above, and the Issuer has duly authorized the execution and delivery of, and the due performance of its obligations under, the Issuer Documents;
- (C) The Issuer Resolutions were duly adopted by the Board of Directors of the Issuer at meetings of the governing body of the Issuer which were called and held pursuant to law and with all required notices and in accordance with all applicable open meetings laws and at which a quorum was present and acting at the times of the adoption of the Issuer Resolutions;
- (D) The adoption of the Issuer Resolutions, the execution and delivery by the Issuer of the Issuer Documents and the compliance with the provisions of the Issuer Documents, do not and will not conflict with or violate in any material respect any Florida constitutional, statutory or regulatory provision, or, to the best of such counsel's knowledge after due inquiry, conflict with or constitute on the part of the Issuer a material breach of or default under any agreement or instrument to which the Issuer is a party or by which it is bound;
- (E) The Issuer Documents constitute legal, valid and binding obligations of the Issuer and are enforceable according to the respective terms thereof, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally, and by the application of equitable principles if equitable remedies are sought, by the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;
- (F) No litigation is pending or, to the best of such counsel's knowledge after due inquiry, threatened against the Issuer in any court in any way affecting the titles of the officials

of the Issuer to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Issuer Resolutions or the Issuer Documents, or contesting in any way the completeness or accuracy of the Official Statement, or contesting the powers of the Issuer or its authority with respect to the Issuer Resolutions or the Issuer Documents;

- (G) The information contained in the Official Statement under the captions "THE ISSUER" and "LITIGATION" does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (H) No authorization, approval, consent or other order of the State or any local agency of the State, other than such authorizations, approvals and consents which have been obtained, is required for the valid authorization, execution and delivery by the Issuer of the Issuer Documents and the authorization and distribution of the Preliminary Official Statement and the Official Statement (provided that no opinion need be expressed as to any action required under state securities or Blue Sky laws in connection with the purchase of the Bonds by the Underwriter); and
- (I) To the best of such counsel's knowledge after due inquiry, the Issuer is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially adversely affect the Issuer's ability to enter into or perform its obligations under the Issuer Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument and which would materially adversely affect the Issuer's ability to enter into or perform its obligations under the Issuer Documents;

(5) The opinion of General Counsel of the University, dated the date of the Closing and addressed to the Underwriter, to the effect that:

- (A) The University has been duly organized and is validly existing under the Constitution and laws of the State of Florida, and has all requisite power and authority thereunder to adopt the University Resolution, and to enter into, execute, deliver and perform its covenants and agreements under the Issuer Documents to which it is a party (the "University Documents");
- (B) The University has taken all actions required to be taken by it before the Closing Date material to the transactions contemplated by the documents mentioned in paragraph (a) above, and the University has duly authorized the execution and delivery of, and the due performance of its obligations under, the University Documents;
- (C) The University Resolution was duly adopted by the Board of Trustees of the University at a meeting of the governing body of the University which was called and held pursuant to law and with all required notices and in accordance with all applicable open meetings laws and at which a quorum was present and acting at the time of the adoption of the University Resolution;
- (D) The adoption of the University Resolution, the execution and delivery by the University of the University Documents and the compliance with the provisions of the University Documents, do not and will not conflict with or violate in any material respect any Florida constitutional, statutory or regulatory provision, or, to the best of such counsel's knowledge after due inquiry, conflict with or constitute on the part of the University a material breach of or default under any agreement or instrument to which the University is a party or by which it is bound;
- (E) The University Documents constitute legal, valid and binding obligations of the University and are enforceable according to the terms thereof, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally, and by the application of equitable principles if equitable remedies are sought, by the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;

- (F) No litigation is pending or, to the best of such counsel's knowledge after due inquiry, threatened against the University in any court seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the University Resolution or the University Documents, or contesting in any way the completeness, or contesting the powers of the University or its authority with respect to the University Resolution or the University Documents;
- (G) The information contained in the Official Statement under the caption "FLORIDA ATLANTIC UNIVERSITY" does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (H) No authorization, approval, consent or other order of the State or any local agency of the State, other than such authorizations, approvals and consents which have been obtained, is required for the valid adoption of the University Resolution or the authorization, execution and delivery by the University of the University Documents; and
- (I) To the best of such counsel's knowledge after due inquiry, the University is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the University is a party or is otherwise subject, which breach or default would materially adversely affect the University's ability to enter into or perform its obligations under the University Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument and which would materially adversely affect the University's ability to enter into or perform its obligations under the University Documents;

(6) The opinion of counsel to the Trustee, dated the date of the Closing and addressed to the Underwriter, to the effect that:

- (A) The Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States having full power and authority and being qualified to enter into, accept and administer the trust estate created under the Indenture and to enter into such Indenture;
- (B) The Indenture has been duly authorized, executed and delivered by the Trustee and constitutes a legal, valid and binding obligation of the Trustee enforceable against the Trustee in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought;
- (C) The execution, delivery and performance of the Indenture will not conflict with or cause a default under any law, ruling, agreement, administrative regulation or other instrument by which the Trustee is bound;
- (D) All authorizations and approvals required by law and the articles of association and bylaws of the Trustee in order for the Trustee to execute and deliver and perform its obligations under Indenture have been obtained; and
- (E) No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or threatened in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the application of proceeds thereof in accordance with the Indenture, or in any way contesting or affecting the Bonds or the Indenture;

(7) The opinion of Nabors, Giblin & Nickerson, P.A., counsel to the Underwriter, dated the date of the Closing and addressed to the Underwriter, and covering such matters as the Underwriter may reasonably request;

(8) A certificate, dated the Closing Date, signed by the Chairperson of the Issuer to the effect that: (a) the representations and warranties of the Issuer contained herein are true and correct in all material respects as of the date of the Closing; (b) the Issuer Documents have been duly authorized and executed and are in full force and effect; (c) except as described in the Official Statement, no litigation is pending

or, to his or her knowledge, threatened (i) seeking to restrain or enjoin the issuance or delivery of any of the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Issuer Resolutions or any Issuer Document, (iii) in any way contesting the creation, existence or powers of the Issuer or the validity or effect of the Act or any provision thereof or the application of the proceeds of the Bonds, or (iv) which, if adversely determined, could materially adversely affect the financial position or operating condition of the Issuer or the transactions contemplated by the Official Statement or any Issuer Document; and (d) the Official Statement is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except no review has been made of information in the Official Statement under the caption "THE SERIES 2012 BONDS – Book-Entry Only";

(9) A certificate, dated the Closing Date, signed by the President of the University to the effect that: (a) the representations and warranties of the University contained in the University Documents are true and correct in all material respects as of the date of the Closing; (b) the University Documents have been duly authorized and executed and are in full force and effect; (c) no litigation is pending or, to his or her knowledge, threatened (i) seeking to restrain or enjoin the issuance or delivery of any of the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the University Resolution or any University Document, (iii) in any way contesting the creation, existence or powers of the University or the validity or effect of the Act or any provision thereof or the application of the proceeds of the Bonds, or (iv) which, if adversely determined, could materially adversely affect the transactions contemplated by the Official Statement or any University Document;

(10) A certificate, dated the Closing Date, signed by the Chairperson of the Issuer, in form and substance satisfactory to the Underwriter, to the effect that (i) the financial statements of the Issuer as of June 30, 2011 fairly represent the receipts, expenditures, assets, liabilities and cash balances of such amounts and, insofar as presented, other funds of the Issuer as of the dates and for the periods therein set forth and (ii) except as disclosed in the Official Statement, since June 30, 2011, no materially adverse change has occurred, or any development involving a prospective material change, in the financial position or results of operations of the Issuer and the Issuer has not incurred since June 30, 2011, any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement;

(11) Executed or certified copies of the Indenture;

- (12) Executed or certified copies of each other Issuer Document;
- (13) A Tax Certificate of the Issuer, in form satisfactory to Bond Counsel, executed by such officials of the Issuer as shall be satisfactory to the Underwriter;
- (14) Certified copies of the Resolutions;
- (15) Evidence satisfactory to the Underwriter of the assignment of long-term ratings assigned to the Bonds by Standard & Poor's Ratings Group ("S&P"), Moody's Investor Service ("Moody's") and Fitch Ratings, Inc. ("Fitch") consistent with the ratings set forth in the Official Statement;
- (16) Copy of the Market Study;
- (17) A certificate of an authorized officer of the Trustee, as trustee, dated as of the Closing Date, to the effect that: (a) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States, having the full power and being qualified to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriter; (b) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriter pursuant to the Indenture; (c) when delivered to and paid for by the Underwriter at the Closing, the Bonds will have been duly authenticated and delivered by the Trustee; (d) the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), which conflict, breach or default would materially impair the ability of the Trustee to perform its obligations under the Indenture, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (e) to the best of the knowledge of the Trustee, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against the Trustee, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain, or enjoining the execution and delivery of the Bonds or the

collection of revenues to be applied to pay the principal, premium, if any, and interest with respect to the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or funding would materially adversely affect the validity or enforceability of the Indenture or the power and authority of the Trustee to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to or upon the order of the Underwriter;

(18) Evidence to the effect that the Issuer is a Florida not-for-profit corporation;

(19) Certified copies of the Articles of Incorporation and Bylaws of Issuer and all amendments thereto, and a Certificate of Good Standing for the Issuer;

(20) Evidence that a Form 8038-G relating to the Bonds has been executed by the Issuer and will be filed with the Internal Revenue Service (the "IRS") within the applicable time limit;

(21) A copy of the Preliminary and Final Blue Sky Surveys with respect to the Bonds;

(22) A copy of the Issuer's executed Blanket Letter of Representation to The Depository Trust Company; and

(23) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, counsel for the Underwriter or Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein contained and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer and all conditions precedent to the issuance of additional Bonds pursuant to the Indenture shall have been fulfilled.

8. Termination. If the Issuer shall be unable to satisfy the conditions of the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be cancelled by Underwriter at, or at any time before, the time of the Closing. Notice of such cancellation shall be given by the Underwriter to the Issuer in writing, or by telephone confirmed in writing. The performance by the Issuer of any and all conditions contained in this Purchase Agreement for the benefit of the Underwriter may be waived by the Underwriter.

(a) The Underwriter shall also have the right, before the time of Closing, to cancel its obligations to purchase the Bonds, by written notice from the Underwriter to the Issuer, if between the date hereof and the time of Closing:

(i) Any event or circumstance occurs or information becomes known, which, in the professional judgment of the Underwriter, makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; or

(ii) The market for the Bonds or the market prices of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall have been materially and adversely affected, in the professional judgment of the Underwriter, by:

(1) An amendment to the Constitution of the United States or the State of Florida shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of Florida or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of Florida authority, with respect to federal or State of Florida taxation upon revenues or other income of the general character to be derived by the Issuer or upon interest received on obligations of the general character of the Bonds which, in the judgment of the Underwriter, may have the purpose or effect, directly or, indirectly, of affecting the tax status of the Issuer, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by State of Florida legislation; or

(2) The declaration of war or engagement in or escalation of military hostilities by the United States or the occurrence of any other national emergency

or calamity or terrorism affecting the operation of the government of, or the financial community in, the United States; or

(3) The declaration of a general banking moratorium by federal, New York or Florida authorities; or

(4) The occurrence of a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, or a material disruption or deterioration in the fixed income or municipal securities market; or

(5) Additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or

(6) The general suspension of trading on any national securities exchange; or

(iii) Legislation enacted, introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that the Bonds, other securities of the Issuer or obligations of the general character of the Bonds are not exempt from registration under the 1933 Act, or that the Indenture is not exempt from qualification under the Trust Indenture Act; or

(iv) Any change in or particularly affecting the Issuer, the Act, the Resolutions, the Issuer Documents or the Pledged Revenues as the foregoing matters are described in the Official Statement, which in the professional judgment of the Underwriter materially impairs the investment quality of the Bonds; or

(v) An order, decree or injunction of any court of competent jurisdiction, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws as amended and then in effect; or

(vi) A stop order, ruling, regulation or official statement by the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, or the execution and delivery of any Issuer Documents, as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including the 1933 Act, the

Securities Exchange Act of 1934 or the Trust Indenture Act, each as amended and as then in effect; or

(vii) Any litigation shall be instituted or be pending at the time of the Closing to restrain or enjoin the issuance, sale or delivery of the Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Act, the Resolutions, the Issuer Documents or the existence or powers of the Issuer with respect to its obligations under the Issuer Documents; or

(viii) A reduction or withdrawal in any of the following assigned ratings, or, as of the Closing Date, the failure by any of the following rating agencies to assign the following ratings, to the Bonds: the long-term ratings assigned by S&P, Moody's and Fitch.

9. Indemnification. (a) The Issuer shall indemnify and hold harmless, to the extent permitted by law, the Underwriter and its directors, officers, employees and agents and each person who controls the Underwriter within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called an "Underwriter Indemnitee"), against any and all losses, claims, damages or liabilities, joint or several, (a) to which any such Underwriter Indemnitee may become subject, under any statute or regulation at law or in equity or otherwise, insofar as such losses claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement of a material fact set forth in the Preliminary Official Statement or the Official Statement or any amendment or supplement to either, or arise out of or are based upon the omission to state therein a material fact which is necessary in order to make the statements made therein, in the light of the circumstances in which they were made, not misleading, except such indemnification shall not extend to statements in the Preliminary Official Statement or the Official Statement under the caption "UNDERWRITING," and (b) to the extent of the aggregate amount paid in any settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer (which consent shall not be unreasonably withheld); and will reimburse any legal or other expenses reasonably incurred by any such Underwriter Indemnitee in connection with investigating or defending any such loss, claim, damage, liability or action. This indemnity agreement shall not be construed as a limitation on any other liability which the Issuer may otherwise have to any Underwriter Indemnitee.

(b) The Underwriter shall indemnify and hold harmless, to the extent permitted by law, the Issuer and its directors, officers, members, employees and agents and each person who controls the Issuer within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called an "Issuer Indemnitees"), against any and all losses, claims, damages or liabilities, joint or several, to which such Issuer Indemnitee may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Issuer Indemnitee for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement of a material fact contained in, or the omission to state therein a material fact necessary to make the statements therein in light of the circumstances under which they were made not misleading, the Preliminary Official Statement or the Official Statement, or any amendment or supplement

thereof, under the caption "UNDERWRITING." This indemnity agreement shall not be construed as a limitation on any other liability which the Underwriter may otherwise have to any Issuer Indemnitee. The liability of the Underwriter obligations under this Section 9 shall not exceed the amount of its compensation under this Purchase Agreement.

(c) For purposes of subsection (a) or (b) above, an "Indemnified Party" means an Underwriter Indemnitee or an Issuer Indemnitee as the context dictates and an "Indemnifying Party" means the Issuer or an Underwriter who is under the obligation to indemnify an Indemnified Party under this Section 9. An Indemnified Party shall, promptly after the receipt of notice of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against an Indemnifying Party, notify the Indemnifying Party in writing of the commencement thereof, but the omission to notify the Indemnifying Party of any such action shall not relieve the Indemnifying Party from any liability that it may have to such Indemnified Party otherwise than under the indemnity agreement contained herein. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Indemnifying Party of the commencement thereof, the Indemnifying Party may, or if so requested by such Indemnified Party shall, participate therein or assume the defense thereof, with counsel satisfactory to such Indemnified Party, and after notice from the Indemnifying Party to such Indemnified Party of an election so to assume the defense thereof, the Indemnifying Party will not be liable to such Indemnified Party under this paragraph for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation. If the Indemnifying Party shall not have employed counsel to manage the defense of any such action or if the Indemnified Party shall have reasonably concluded that there may be defenses available to it or them that are different from or additional to those available to the Indemnifying Party (in which case the Indemnifying Party shall not have the right to direct the defense of such action on behalf of such Indemnified Party), such Indemnified Party shall have the right to retain legal counsel of its own choosing and the reasonable legal and other expenses incurred by such Indemnified Party shall be borne by the Indemnifying Party.

An Indemnifying Party shall not be liable for any settlement of any such action effected without its consent by any Indemnified Party, which consent shall not be unreasonably withheld, but if settled with the consent of the Indemnifying Party or if there be a final judgment for the plaintiff in any such action against the Indemnifying Party or any Indemnified Party, with or without the consent of the Indemnifying Party, the Indemnifying Party agrees to indemnify and hold harmless such Indemnified Party to the extent provided herein.

(d) If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an Indemnified Party under subsection (a) or (b) above, then each Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party as a result of the losses, claims, damages, liabilities or expenses referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuer on the one hand and the Underwriter on the other from the offering of the Bonds or (ii) if the allocation provided by clause (i) above is not permitted by applicable law in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuer on the one hand and the Underwriter on the other in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or

expenses as well as any other relevant equitable considerations. The relative benefits received by the Issuer on the one hand and the Underwriter on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Issuer bear to the total underwriting discounts and commissions received by the Underwriter. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an Indemnified Party as a result of the losses, claims, damages, liabilities or expenses referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any action or claim which is the subject to this subsection (d). Notwithstanding the provisions of this subsection (d), the Underwriter shall not have any obligation under this subsection (d) to contribute an amount in excess of the amount of its compensation under this Purchase Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

10. Amendments to Official Statement. During the period commencing on the Closing Date and ending twenty-five (25) days from the end of the underwriting period, the Issuer shall advise the Underwriter if any event relating to or affecting the Official Statement shall occur as a result of which it may be necessary or appropriate to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser or "potential customer" (as defined for purposes of Rule 15c2-12). If any such event occurs and in the reasonable judgment of the Underwriter and the Issuer, an amendment or supplement to the Official Statement is appropriate, the Issuer shall, at its expense, forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to counsel for the Underwriter) that will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser or "potential customer," not misleading.

11. Expenses. All expenses and costs of the Issuer incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds to the Underwriter, including the costs of printing or reproduction of the Bonds, the Issuer Documents and the Official Statement in reasonable quantities, fees of consultants, fees of rating agencies, advertising expenses, fees and expenses of the Trustee and its counsel and fees and expenses of General Counsel to the Issuer, General Counsel to the University and Bond Counsel and fees and expenses of counsel to the Underwriter, shall be paid by the Issuer from the proceeds of the Bonds or other revenues of the Issuer. The Issuer shall be solely responsible for and shall pay for any expenses incurred by the Underwriter on behalf of the Issuer's employees and representatives which are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation, lodging, and entertainment of those employees and representatives. All expenses and costs of the Underwriter incurred under or pursuant to this Purchase Agreement, including, without limitation, the cost of preparing this Purchase

Agreement and other Underwriter documents, travel expenses shall be paid by the Underwriter (which may be included as an expense component of the Underwriter's discount).

12. Use of Documents. The Issuer hereby authorizes the Underwriter to use, in connection with the public offering and sale of the Bonds, this Purchase Agreement, the Preliminary Official Statement, the Official Statement, the Market Study and the Issuer Documents, and the information contained herein and therein.

13. Qualification of Securities. The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; *provided, however,* that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

14. Truth in Bonding Statement.

The Issuer is proposing to issue the Bonds for the purpose of (i) financing the acquisition, construction and installation the 2012 Facilities, [(ii) funding a deposit to the Series 2012 Account of the Reserve Fund,] (iii) paying capitalized interest on the Bonds, and (iv) paying certain costs of issuance associated with the Bonds.

(a) The Bonds are expected to be repaid over a period of approximately ___ years. At an all-in true interest cost of __%, total interest paid over the life of the Bonds will be \$_____.

(b) The sources of repayment or security for the Bonds are the Pledged Revenues. Authorizing the Bonds will result in \$_____ or less of Pledged Revenues not being available to finance the other services of the Issuer each year for approximately ___ years.

The truth-in-bonding statements set forth in subsections (a) and (b) of this Section 14 are provided in accordance with Florida Statutes, Section 218.385(2) and (3), are for informational purposes only and shall not effect or control the actual terms and conditions of the Bonds.

15. Notices. Any notice or other communication to be given to the Issuer under this Purchase Agreement may be given by delivering the same in writing to The FAU Finance Corporation, 777 Glades Road, Boca Raton, FL 33431, Attn: Executive Director and any such notice or other communication to be given to the Underwriter may be given by delivering the same in writing to Merrill Lynch, Pierce, Fenner & Smith Incorporated, 1818 Market Street, 18th Floor, Philadelphia, PA 19103, Attn: Ted Matozzo.

16. Benefit. This Purchase Agreement is made solely for the benefit of the Issuer and the Underwriter (including their successors or assigns) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. Except as otherwise expressly provided herein, all of the agreements and representations of the Issuer contained in this Purchase Agreement and in any certificates delivered pursuant hereto shall

remain operative and in full force and effect regardless of: (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds hereunder; or (iii) any termination of this Purchase Agreement, other than pursuant to Section 8.

17. Approval. The approval of the Underwriter when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.

18. Attorneys Fees. In the event of a dispute arising under this Purchase Agreement, the prevailing party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Purchase Agreement.

19. Governing Law. THIS PURCHASE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CHOICE OF LAW RULES (OTHER THAN NEW YORK GENERAL OBLIGATIONS LAWS SECTION 5-1401 AND 5-1402).

[Remainder of page intentionally left blank]

20. Counterparts. This Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original hereof.

Very truly yours,

By:

**MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED, as Underwriter**

By: _____
Vice President

Approved and Agreed to: _____, 2012

THE FAU FINANCE CORPORATION

By: _____
Chairperson

SCHEDULE I

Principal Amounts, Interest Rates and Prices

\$ _____
The FAU Finance Corporation
Capital Improvement Revenue Bonds
(Student Housing Project),
Series 2012A

Serial Bonds

<u>Maturity</u> <u>(July 1)</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>
	\$	%		%

Term Bonds

\$ _____ - ____% Term Bonds due July 1, 20__; Price - ____; Yield ____%
 \$ _____ - ____% Term Bonds due July 1, 20__; Price - ____; Yield ____%

Optional and Mandatory Redemption

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

Mandatory Redemption. The Bonds maturing on July 1, 20__ are subject to mandatory redemption in part (including portions of Term Bonds which are Term Bonds), by lot, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon, without redemption premium, on the dates and in the Amortization Installments set forth below:

<u>July 1 of the Year</u>	<u>Amortization Installments</u>
20__	\$
20__	
20__	
20__*	

* Final Maturity

The Bonds maturing on July 1, 20__ are subject to mandatory redemption in part (including portions of Term Bonds which are Term Bonds), by lot, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon, without redemption premium, on the dates and in the Amortization Installments set forth below:

<u>July 1 of the Year</u>	<u>Amortization Installments</u>
20__	\$
20__	
20__*	

* Final Maturity

EXHIBIT A

ISSUE PRICE CERTIFICATE OF THE UNDERWRITER

This Certificate is furnished by Merrill Lynch, Pierce, Fenner & Smith Incorporated as the underwriter (the "Underwriter") in connection with the sale and issuance by The FAU Finance Corporation (the "Issuer") of its \$_____ aggregate principal amount of Capital Improvement Revenue Bonds (Student Housing Project), Series 2012A (the "Bonds") issued _____, 2012, and the Underwriter hereby certifies and represents the following, based upon information available to us:

1. Based on our assessment of the then prevailing market conditions, the Underwriter reasonably expected when it agreed to purchase the Bonds (the "Sale Date") that the first prices at which at least 10% of each maturity of the Bonds would be sold by the Underwriter to the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (the "Public") would be prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, those listed for each maturity on Schedule A hereto (the "Initial Offering Prices").

2. All of the Bonds have actually been offered to the Public in a bona fide public offering at prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, the Initial Offering Prices.

3. The first price, or yield in the case of obligations sold on a yield basis, at which ten percent (10%) of each maturity of the Bonds has been sold to the Public was at a price not higher than, or, in the case of obligations sold on a yield basis, at a yield not lower than, the Initial Offering Prices [except for the Bonds with the following maturities:].

4. The Underwriter had no reason to believe that any of the Initial Offering Prices of the Bonds exceeded the expected fair market value of the Bonds as of the Sale Date.

We understand that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and by Bryant Miller Olive, P.A., in connection with rendering its opinion to the Issuer that the interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes. The undersigned is certifying only as to facts in existence on the date hereof. Nothing herein represents the undersigned's interpretation of any laws; in particular the regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Although certain information furnished in this Certificate

has been derived from other purchasers, bond houses and brokers and cannot be independently verified by us, we have no reason to believe it to be untrue in any material respect.

**MERRILL LYNCH, PIERCE, FENNER
& SMITH INCORPORATED**

By: _____
Authorized Signatory

Dated: _____, 2012

SCHEDULE A

Series 2012A Bonds

Maturity (July 1)	Principal Amount	Interest Rate	Yield
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EXHIBIT B

**DISCLOSURE STATEMENT REQUIRED BY FLORIDA STATUTES,
SECTION 218.385(6)**

_____, 2012

Board of Directors
The FAU Finance Corporation
Boca Raton, Florida

Re: \$_____ The FAU Finance Corporation Capital Improvement Revenue Bonds
(Student Housing Project), Series 2012A (the "Bonds")

Gentlemen:

In connection with the proposed issuance by The FAU Finance Corporation (the "Issuer") of \$_____ in aggregate principal amount of the above captioned Bonds, Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Underwriter") is underwriting a public offering of the Bonds.

The purpose of the following paragraphs of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, certain information with respect to the arrangements contemplated for the purchase and sale of the Series 2012 Bonds, as follows:

(a) The nature and estimated amount of expenses to be incurred by the Underwriter in connection with the issuance of the Bonds are set forth in Schedule I attached hereto.

(b) There are no "finders," as defined in Section 218.386, Florida Statutes, connected with the sale and purchase of the Bonds.

(c) The underwriting spread, the difference between the price at which the will be initially offered to the public by the Underwriter and the price to be paid to the Issuer for Bonds, exclusive of accrued interest, will be \$_____ per \$1,000 of Bonds issued.

(d) As part of the estimated underwriting spread set forth in paragraph (c) above, the Underwriter will charge a management fee of \$_____ per \$1,000 of Bonds issued.

(e) No other fee, bonus or other compensation is estimated to be paid by the Underwriter in connection with the issuance of the Bonds to any person not regularly employed or retained by the Underwriters (including any "finder" as defined in Section 218.386, Florida Statutes), except as specifically enumerated as expenses to be incurred by the Underwriter, as set forth in paragraph (a) above.

(f) None of the Underwriter nor any "persons" or "affiliate" thereof have been on the "convicted vendor list" during the past 36 months as all such terms are defined in Section 287.133, Florida Statutes.

(g) The name and address of the Underwriter is:

Merrill Lynch, Pierce, Fenner & Smith Incorporated
1818 Market Street, 18th Floor
Philadelphia, PA 19103

The foregoing is provided for information purposes only and shall not affect or control the actual terms and conditions of the Series 2012 Bonds.

Very truly yours,

**MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED**

By: _____
Vice President

SCHEDULE I

Underwriters' Estimated Expenses

BMA Fee	\$
Dalcomp	
Day Loan	
CUSIP Fee	
DTC Fee	
Miscellaneous	
Total:	\$