

FAU FINANCE CORPORATION

BOARD OF DIRECTORS

DRAFT MINUTES

Friday, November 16, 2012

1. ROLL CALL.

The meeting of the FAU Finance Corporation (FAUFC) Board of Directors (BOD) was convened by Mr. Anthony Barbar, Chair. Roll call commenced, confirming quorum, with the following members of the FAUFC BOD in addition to Mr. Barbar, participating:

Mr. Scott Adams and Mr. Peter LoBello.

The following officers were in attendance:

Mr. Dennis Crudele, Executive Director, and Ms. Stacey Semmel, Secretary/Treasurer.

The following guest was in attendance:

Ms. Elizabeth Rubin, FAU Associate General Counsel.

2. REQUEST FOR APPROVAL OF THE RESOLUTION AND SUPPORTING DOCUMENTS TO REFINANCE THE INNOVATION VILLAGE HOUSING (IVH) 2010 SERIES B BONDS.

Mr. Crudele reminded members of discussions during the October 2012 FAUFC BOD meeting on refinancing the Innovation Village Housing (IVH) 2010 Series B Bonds portion of the IVH financing plan which were initially purchased as a private placement by the developer with higher than desirable rates. At that time, the financial institution initially favored for the refinancing had proven unsatisfactory and additional negotiations commenced to generate more acceptable financing results.

Members were informed that the proposal finally selected was submitted by J.P. Morgan with an interest rate of 2.14 percent. All proposals received included a "put option" which allows for resetting of the interest rate in seven years. Mr. Crudele noted that there is interest rate risk associated with the put option but it is believed that even in a worst case scenario significant savings will occur. J.P. Morgan's proposal, being recommended for approval, includes the option to reduce the final maturity date from 2036 to 2025. While the payment remains nearly the same, the principal is reduced by an additional \$735,000 as a result of the accelerated payoff schedule. There is sufficient debt service coverage at the same payment rate.

Documents: 1. A Resolution of the FAU Finance Corporation Approving the Refunding of Certain Outstanding Capital Improvement Revenue Bonds Subordinate Series 2010b (Innovation Village Project) and Authorizing the Execution and Delivery of the First Supplemental Trust Indenture Pursuant to Which the FAU Finance Corporation's Capital Improvement Revenue Bond (Student Housing Project), Series 2012b are to be Issued in an Aggregate Principal Amount Not To Exceed \$3,440,000 for the Purpose Of Refunding the Series 2010b Bonds; Delegating to the Chairperson or the Executive Director the Authority to Execute and Deliver the First Supplemental Trust Indenture Relating to the Negotiated Sale of Such Series 2012b Bond to JP Morgan Chase Bank, N.A. in Accordance with the Terms Set Forth Herein and Certain Other Related Documents; and Providing an Effective Date; and 2. The FAUFC, Issuer, and U.S. National Association, Trustee, First Supplemental Trust Indenture.

A motion was made and seconded to approve the Resolution and First Supplemental Trust Indenture as presented. **The motion passed unanimously.**

3. **ADJOURNMENT OF MEETING.** With no other issues to discuss, a motion was made and seconded to adjourn the meeting. **The meeting was adjourned.**