Off-Campus Housing Summary

- As discussed further in the Market Analysis Student Housing prepared by CDS Market Research ("Market Study"), the off-campus rental market is comprised of apartment facilities and rental homes for students located predominately in a 2 mile radius of campus.
  - Most of the off campus housing options include older, low-rise apartment complexes and individually leased homes.
  - Properties typically rent “by the unit” with 12 month leases while a few properties offer academic year leases.
  - Rental rates typically include water and sewer service and trash collection, with separate billing for electricity, telephone, cable television and Internet service.

- As reported by the Southern Oregon Renter’s Association, vacancy rates in the Ashland region were 5.5% in April 2011 and 4.6% in September 2011.

- The Ashland market contains approximately 3,125 rental units and SOU estimates that approximately 3,200 students live off camps.

- The Market Study Consultant identified eleven properties they deem comparable, as summarized below:

<table>
<thead>
<tr>
<th>Property</th>
<th># of Units</th>
<th>1BR / 1 Bath</th>
<th>2BR / 1 Bath</th>
<th>2BR / 2 Bath</th>
<th>3BR / 2 Bath</th>
<th>4BR / 2 Bath</th>
<th>Est. % of SOU Students in Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashlander Apartments</td>
<td>160</td>
<td>$625</td>
<td>$363</td>
<td>$292</td>
<td>--</td>
<td>--</td>
<td>85%</td>
</tr>
<tr>
<td>Anjou Club</td>
<td>180</td>
<td>$650</td>
<td>$375</td>
<td>$388</td>
<td>$300-$308</td>
<td>--</td>
<td>20%</td>
</tr>
<tr>
<td>Brekenridge Village</td>
<td>119</td>
<td>$695</td>
<td>$398</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
<tr>
<td>Cedarwood Apartments</td>
<td>8</td>
<td>$695</td>
<td>$438</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
<tr>
<td>167 Lincoln Street</td>
<td>7</td>
<td>--</td>
<td>$448</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
<tr>
<td>Lori Lane Apartments</td>
<td>26</td>
<td>$650</td>
<td>$388</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
<tr>
<td>Madrona Manor</td>
<td>20</td>
<td>$535</td>
<td>$388</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
<tr>
<td>Parkside Apartments</td>
<td>33</td>
<td>$695</td>
<td>$438</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
<tr>
<td>Tudor Square</td>
<td>48</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>$350</td>
<td>40-50%</td>
</tr>
<tr>
<td>Wimer Heights</td>
<td>33</td>
<td>--</td>
<td>$433</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
<tr>
<td>Woodland Park Estates</td>
<td>20</td>
<td>$695</td>
<td>$403</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>75-80%</td>
</tr>
</tbody>
</table>
# Financing Summary

<table>
<thead>
<tr>
<th>Par Amount</th>
<th>$56,605,000*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Issuer</td>
<td>Oregon Facilities Authority</td>
</tr>
<tr>
<td>Borrower</td>
<td>CHF-Ashland, L.L.C., the sole member of which is Collegiate Housing Foundation, a 501(c)(3) organization.</td>
</tr>
<tr>
<td>Structure</td>
<td>Fully amortizing, tax-exempt student housing revenue bonds with a 32-year final maturity.</td>
</tr>
<tr>
<td>Ground Lease</td>
<td>Long-term ground lease with a stated expiration on the 40th anniversary of the Commencement Date or upon the full repayment of the financing, with an option for SOU to acquire the Project at any time.</td>
</tr>
<tr>
<td>Payment Dates *</td>
<td>Interest will be paid semi-annually on each January and July 1st, commencing July 1, 2012. Principal redemptions will be made annually, on each July 1st, commencing July 1, 2015.</td>
</tr>
<tr>
<td>Optional Redemption *</td>
<td>On or after July 1, 2022 at a redemption price of par, plus any accrued interest.</td>
</tr>
<tr>
<td>Construction Period</td>
<td>Approximately 17 months, with Project delivery scheduled for August 2013.</td>
</tr>
<tr>
<td>Capitalized Interest Period</td>
<td>Through February 1, 2014, representing the construction period plus an additional 6 months.</td>
</tr>
<tr>
<td>Security for the Bonds</td>
<td>The Bonds will be secured by the revenues and assets of the Project, which includes the student rental payments as well as payments made by the University pursuant to a sublease of the Dining Hall.</td>
</tr>
<tr>
<td>Management / University Involvement</td>
<td>As Manager, the University will be responsible for the ongoing operation and maintenance of the Project, including the collection of revenue and payment of operating expenses from such revenue. The University will administer the Flow of Funds within the Indenture by creating certain restricted accounting funds into which Project revenue will be deposited and transferred semi-annually to the Trustee for debt service payments and on a monthly basis for operating expenses.</td>
</tr>
</tbody>
</table>

*Preliminary, subject to change.*
The Borrower

Collegiate Housing Foundation

- Non-profit corporation founded in 1996 exclusively for the purpose of assisting colleges and universities in providing housing and otherwise assisting them in furtherance of their educational missions.

- CHF has assisted more than 27 different institutions with providing housing, financing over $1 billion in projects nationwide.

- CHF is the sole member of CHF – Ashland, L.L.C., the Borrower for the proposed Series 2012 financing.

- Foundation oversight for the Project includes:
  - Contracting with American Campus Communities as Developer.
  - Contracting with SOU as Ground Lessor and Property Manager.
  - Responsibility for coordinating annual budget process with the University.
  - Responsibility for monitoring compliance with rate covenant, insurance requirements and provisions of the bond documents.
  - Responsibility for rebate calculations.
University Involvement in the Project

Ground Lessor / Ground Lease Agreement

- The University will enter into a ground lease pursuant to which it will lease the land on which the Project is located to CHF-Ashland, L.L.C. for a forty year term.

- Pursuant to the Ground Lease, SOU will provide support for the Project including:
  - Treating the Project as part of its student housing program and including provide information about the Project to current and prospective students in the same manner as its other student housing facilities.
  - Providing a “First Fill” agreement by which SOU agrees to direct or assign students to the Project on a priority basis until a minimum level of academic year occupancy is achieved.
  - Maintaining its current policies regarding withholding of transcripts in the event of delinquencies in the payment of rent.
  - Taking into account the Project and its occupancy in any planning for future housing.
  - Agreeing not to construct or otherwise sponsor additional student housing facilities on or off campus beyond the replacement of housing due to the decommissioning of existing University housing facilities unless (i) the Project has maintained a minimum DSCR of 1.20x for immediately preceding two fiscal years (to the extent the Project has been operational) and expects to maintain the same level of coverage when taking such additional housing into consideration; and (ii) the construction of the additional facilities is supported by a demand study which further determines that the additional facilities will not have a material adverse effect on the rate covenant for the Project.

- The Ground Lease will contain a purchase option enabling SOU to acquire the Project at any time, at a price equal to the principal amount of the bonds outstanding, plus accrued interest.

- Upon verification of compliance with the Rate Covenant, all surplus Project revenues will be paid by the Borrower to the University as ground rent.
University Involvement in the Project

Property Manager

- The University will enter into a Management Agreement for the term commensurate with the Ground Lease pursuant to which it will be responsible for administering the ongoing operations of the Project, from Project Revenue, including marketing and leasing, operating and maintaining the facilities.

- Under the Management Agreement, SOU will agree to collect revenues for the Project and to maintain a restricted accounting fund for holding and disbursing such revenue pursuant to the Flow of Funds in the Trust Indenture.

- The Manager is not obligated to advance its own funds for the payment of debt service, operating expenses or deposits to the Repair and Replacement Fund.

Sublease of Dining Hall / Community Center

- The University will enter into sublease agreement with the Borrower pursuant to which it will assume responsibility for the operation of the Dining Hall / Community Center.
  - The University intends ultimately to enter into a qualified management agreement with Sodexho for the food service operations.

- SOU will make fixed annual rental payments under the sublease and will be obligated to pay for all operating costs related to the subleased space or transferring those costs to Sodexho.
Student Rental Payments

collected by the University under the Management Agreement and held by a combination of the University and the Trustee pursuant to a Trust Indenture.

Revenue Fund

On two predetermined dates scheduled before debt service payments are due, Revenue will be sent to the Trustee for deposit in the Bond Fund:

Bond Fund
amount sufficient for the succeeding semi-annual principal and interest payments due

On the 25th day of each month, the University shall make the following disbursements:

Bond Related Fees
Issuer, Trustee, Borrower, Rating Agency

Operational Expense Fund
amount shown in the Annual Budget for Op Ex for the next succeeding month

Debt Service Reserve Fund
amount of any replenishments necessary

Repair & Replacement Fund
$175/bed/year escalating annually at 3%

Operational Reserve / Contingency Fund

Amount remaining in the Revenue Fund on the last day of the month shall be transferred to the Operational Reserve / Contingency Fund

Replenishment of Funds

Bond Fund, Operational Expense Fund and Debt Service Reserve Fund

On June 25th of each year, commencing June 25, 2014, the Trustee shall deposit monies remaining in the Surplus Fund.

Amounts remaining in the Surplus Fund at the end of the Fiscal Year (June 30) are available for release to the University Ground Rent under the Ground Lease provided that the Release Test is met and certified in writing by the Corporation. The Release Test will include demonstration of compliance, through audited financial statements of the Project, with the Rate Covenant. The Rate Covenant will require a minimum debt service coverage ratio of 1.20x.