

RESOLUTION

A RESOLUTION OF THE FLORIDA BOARD OF EDUCATION OF THE STATE OF FLORIDA APPROVING THE FINANCING OF THE COST OF THE CONSTRUCTION OF A NEW 200 BED STUDENT RESIDENCE FACILITY ON THE CAMPUS OF THE UNIVERSITY OF WEST FLORIDA BY THE UNIVERSITY OF WEST FLORIDA FOUNDATION, INC., A UNIVERSITY DIRECT SUPPORT ORGANIZATION; APPROVING THE ISSUANCE BY THE FOUNDATION OF ITS HOUSING SYSTEM REVENUE NOTE, SERIES 2002, IN AN AMOUNT NOT EXCEEDING \$6,500,000 TO FINANCE THE PROJECT; APPROVING THE PURPOSES AND EXISTENCE OF THE FOUNDATION; AUTHORIZING CHAIRMAN AND STAFF TO TAKE FURTHER ACTIONS CONSISTENT WITH THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE

The undersigned, being the duly acting and appointed Florida Board of Education of the State of Florida (the "Florida Board") at a meeting duly held pursuant to notice and a quorum being present, do hereby make the following resolutions:

BE IT RESOLVED:

Section 1. Findings.

The Florida Board hereby finds as follows:

(a) Pursuant to Chapter 229, Florida Statutes, the Florida Board has succeeded the Board of Regents (the "Board") of the Division of Universities of the Department of Education of the State of Florida and will operate on an interim basis under the direction of the State Board of Education. The Florida Board assumed all of the Board's powers, duties, property, moneys and existing contracts effective July 1, 2001.

(b) The Florida Board is primarily responsible for adopting system-wide rules and policies; planning for the future needs of the State University System; planning the programmatic, financial and physical development of the system; reviewing and evaluating the instructional, research, and service programs at the Universities; coordinating program development among the Universities; and monitoring the fiscal performance of the Universities.

(c) The Legislature has approved the 2002 Project (as hereinafter defined) in the General Appropriations Act and Summary Statement of Intent for Fiscal Year 2002-2003.

(d) The University of West Florida Foundation, Inc., a Florida not-for-profit corporation (the "Foundation") was created for the purpose of providing direct support to the University of West Florida (the "University"), and was designated by the Board as a "University Direct Support Organization" as defined in Section 240.299, Florida Statutes, and continues to be so designated by the Florida Board.

(e) The Foundation proposes to finance the costs of the acquisition and construction of an addition to the housing system of the University consisting of two new traditional dormitory style student housing facilities containing approximately 400 beds (the "2002 Project"). To finance Phase 1 of the 2002 Project, the Foundation proposes to issue its Housing System Revenue Note, Series 2002 (the "2002 Note") in an aggregate principal amount not to exceed \$6,500,000, payable solely from and secured by a pledge of the net revenues of the student housing system of the University (the "Student Housing System Revenues") which revenues are also subject to the lien of \$15,400,000 Escambia County Housing Finance Authority Dormitory Revenue Bonds (University of West Florida Foundation, Inc. Project), Series 1998 and \$13,455,000 of Escambia County Housing Finance Authority Dormitory Revenue Bonds (University of West Florida Foundation, Inc. Project), Series 1999 (the "1999 Bonds"). The 2002 Note will be issued to finance the costs of (i) the acquisition, construction, and furnishing of an addition to the housing system of the University consisting of a new 200-bed traditional dormitory-style student residence facility; (ii) capitalized interest, and (iii) certain costs of issuance (collectively, the "Phase 1 2002 Project").

Section 2. Approval of the Phase 1 2002 Project and Financing.

The Florida Board hereby approves the acquisition and construction of the Phase 1 2002 Project and further approves the issuance of the 2002 Note as herein set forth.

Section 3. Authorization of Second Amendment to Sublease Agreement and Assignment Thereof.

In order to provide security for the 2002 Note, the Florida Board is hereby authorized to lease the land on which the Phase 1 2002 Project is to be constructed to the Foundation pursuant to the terms of the existing Sublease Agreement between the Board and the Foundation dated September 1, 1998, as amended by that certain First Amendment to Sublease Agreement dated October 1, 1999, as further amended by the Second Amendment to Sublease Agreement attached hereto as Exhibit "A." The Second Amendment to Sublease Agreement, in substantially the form attached hereto as Exhibit "A" with such changes, alterations, and corrections as may be approved by the Chairman of the Florida Board or the Chancellor of the Division of Colleges and Universities, such approval to be conclusively evidenced by the execution thereof by either the Chairman or Chancellor, is hereby approved by the Florida Board, and the Florida Board hereby authorizes and directs said Chairman or Chancellor to execute, and the Secretary of the Florida Board to attest under the seal of the Florida Board, the Second Amendment to Sublease Agreement, all of the provisions of which, when executed and delivered by the Florida Board as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein. The Foundation is specifically authorized to assign or mortgage its interest in the Second Amendment to Sublease Agreement as security for the 2002 Note.

Section 4. Repealing Clause.

All resolutions of the Florida Board, or parts thereof, in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.

Section 5. Authorization of Further Actions Consistent Herewith.

The members of the Florida Board, attorneys, engineers or other agents or employees of the Florida Board are hereby authorized and directed to do all acts and things required of them by this resolution, or desirable or consistent with the requirements thereof, for the full, punctual, and complete performance of all the terms, covenants and agreements contained in the Second Supplemental Sublease Agreement and this Resolution, including execution of such documents, certificates, contracts, and legal opinions, and other material delivered in connection with the construction of the Phase 1 2002 Project and the sale of the 2002 Note.

Section 6. Approval of 2002 Note.

The Florida Board hereby approves issuance of the 2002 Note by the Foundation in an amount not to exceed \$6,500,000, having a final maturity not to exceed 15 years from the date thereof and at an interest rate or rates acceptable to the Foundation, for the purposes designated elsewhere in this Resolution and the Exhibits thereto and reaffirms its approval of the existence and purposes of the Foundation. This approval is subject to the understanding that the 2002 Note does not create any obligation of the Florida Board, the State of Florida, or any political subdivision, department, or agency thereof, to pay any part of the principal or premium, if any, or interest on the 2002 Note, or to levy ad valorem taxation or any other form of taxation to repay the same, but rather such 2002 Note shall be solely the non-recourse obligation of the Foundation, to be repayable solely from Student Housing System Revenues.

CERTIFICATE OF THE CORPORATE SECRETARY

The undersigned Corporate Secretary of the Florida Board of Education, does hereby certify that the attached resolution relating to the issuance of the 2002 Note by the University of West Florida Foundation, Inc. is a true and accurate copy as adopted by the Florida Board of Education on _____, 2002.

FLORIDA BOARD OF EDUCATION

By: _____
Corporate Secretary