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PHONE 609-987-0880 · FAX 609-987-0850 · www.njefa.com

OFFICE OF THE GOVERNOR
AUTHORITIES UNIT
SEP 17 2010
Veto Date 10/1/10

September 17, 2010

VIA HAND DELIVERY

Honorable Chris Christie
Governor
State House
125 West State Street
P.O. Box 001
Trenton, New Jersey 08625

ATTN: David Reiner, Assistant Counsel
Governor's Authorities Unit

Dear Governor Christie:

Enclosed please find an original and one copy of the minutes of the Special Meeting of the New Jersey Educational Facilities Authority held on Friday, September 17, 2010. Also enclosed are copies of the adopted resolutions.

I hereby certify that it is a true and correct copy of the proceedings.

Sincerely,

Mary Jane Darby
Acting Secretary

Enclosures

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MINUTES OF THE SPECIAL MEETING OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY ON FRIDAY, SEPTEMBER 17, 2010

The meeting was called to order at 9:34 a.m. by Chair Jacobs. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via e-mail and fax on September 14, 2010, to The Star Ledger, The Times and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

AUTHORITY MEMBERS PRESENT:

Roger B. Jacobs, Chair
Ridgeley Hutchinson, Vice Chair
Joshua Hodes, Treasurer
Andrew P. Sidamon-Eristoff, State Treasurer (represented by Steven Petrecca)

AUTHORITY MEMBERS ABSENT:

Steven D. Weinstein, Chair, Commission on Higher Education

STAFF PRESENT:

Mary Jane Darby, Acting Executive Director
Barbara Cannon, Deputy Executive Director
Marie Mueller, Controller
Sheryl Stitt, Director of Communications
Debra Paterson, Sr. Risk Manager
Jennifer LaMarsh, Project/Communications Assistant
Nichole Doxey, Communications Specialist
Sheila Toles, Exec. Assistant/Human Resources Specialist

ALSO PRESENT:

Kavin Mistry, Esq., Deputy Attorney General
David Reiner, Esq., Governor's Authorities Unit
Lisa Gorab, Esq., Wilentz, Goldman & Spitzer

ITEMS OF DISCUSSION

1. **Approval of Resolution Adopting the Authority's Annual Report for 2009**

Ms. Darby reported that at the March 23, 2010 meeting, the Members adopted the Authority's audited financial statements for the year ended December 31, 2009. She reported that recently the Members received a draft of the Authority's 2009 annual report for their review. She further reported that the draft before them today recommended for approval had one substantive change in that the proposed letter from the Governor has been removed.

Mr. Hodes moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY APPROVING THE AUTHORITY'S ANNUAL REPORT FOR 2009

The motion was seconded by Mr. Petrecca and passed unanimously.

The adopted resolution is appended as Exhibit I.

2. **Approval of Resolution Authorizing the Replacement of the Credit Facility with Respect to NJEFA Revenue Refunding Bonds, Seton Hall University Issue, 2008 Series D**

Ms. Darby reported that the Authority had been working with Seton Hall University to obtain a replacement letter of credit for the University's 2008 Series D bonds. She reported that the existing letter of credit bank, Allied Irish, had been having difficulties and as a result, the University had been paying significantly higher interest rates than are otherwise available in the market. As an example, Ms. Darby noted that rates of interest on comparable bonds with a strong letter of credit bank is 0.25% and that Seton Hall is currently paying 1.2% which is basically a full percentage point higher than what the Authority could get otherwise. Ms. Darby advised that pursuant to an RFP process, TD Bank was selected as the successor bank.

Ms. Gorab of Wilentz, Goldman and Spitzer, Bond Counsel, described the resolution presented for approval.

Mr. Petrecca moved the adoption of the following entitled resolution:

> RESOLUTION AUTHORIZING ACTIONS IN CONNECTION WITH THE REPLACEMENT OF THE CREDIT FACILITY IN EFFECT WITH RESPECT TO THE OUTSTANDING NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY REVENUE REFUNDING BONDS, SETON HALL UNIVERSITY ISSUE, 2008 SERIES D AND OTHER MATTERS IN CONNECTION THEREWITH

The motion was seconded by Mr. Hutchinson and passed unanimously.

The term sheet and adopted resolution are appended as Exhibit II.

3. Next Meeting Date

Chair Jacobs reminded everyone that the next meeting will be held on Tuesday, September 28, 2010 at 10:30 a.m. at Princeton University. Mr. Jacobs then requested a motion to adjourn.

Mr. Hodes moved that the meeting be adjourned at 9:40 a.m.; the motion was seconded by Mr. Petrecca and passed unanimously.

Respectfully submitted,

Mary Jane Darby
Acting Secretary

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY APPROVING THE AUTHORITY'S ANNUAL REPORT FOR 2009

WHEREAS: The New Jersey Educational Facilities Authority (the "Authority") was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, N.J.S.A. 18A:72A-1 et seq., as amended (the "Act"); and

WHEREAS: In accordance with the Act and Executive Order No. 122 (2004), by Resolution duly adopted on March 24, 2010, the Authority accepted and adopted the Authority's audited financial statements for the year ended December 31, 2009 and the unqualified Report of Ernst & Young, LLP thereon (the "2009 Financial Statements"); and

WHEREAS: The Authority has prepared its Annual Report for 2009 (the "2009 Annual Report"); and

WHEREAS: The Annual Report for 2009, which includes the 2009 Financial Statements, is a comprehensive report of the Authority's operations prepared in accordance with Executive Order No. 37 (2006) ("EO 37"); and

WHEREAS: A copy of the 2009 Annual Report is attached hereto as Exhibit A; and

WHEREAS: The members of the Authority wish to approve and adopt the 2009 Annual Report.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:

SECTION 1. The Members of the Authority hereby approve and adopt the 2009 Annual Report, as attached hereto and incorporated by reference as if set forth in full herein.

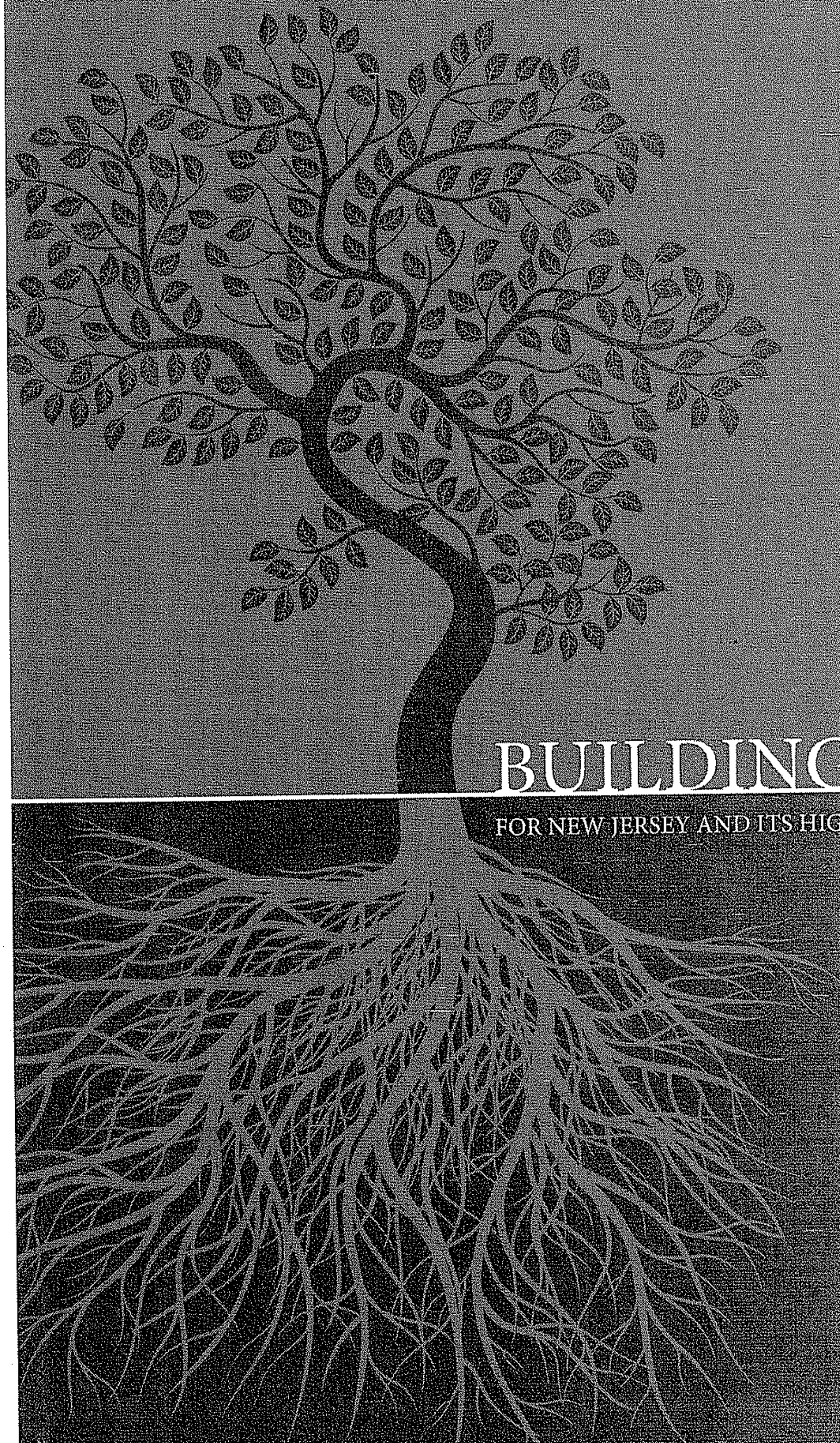
SECTION 2. The Members of the Authority hereby authorize and direct the Acting Executive Director to send a copy of the 2009 Annual Report to the Governor's Authorities Unit and to post a copy thereof on the Authority's website in accordance with EO 37.

SECTION 3. This resolution shall take effect in accordance with N.J.S.A. 18A:72A-4(i).

____Mr. Hodes______ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ____Mr. Petrecca___ and upon roll call the following members voted:

AYE:	Roger B. Jacobs Ridgeley Hutchinson Joshua Hodes Andrew P. Sidamon-Eristoff (represented by Steven Petrecca)
NAY:	None
ABSTAIN:	None
ABSENT:	Steven D. Weinstein

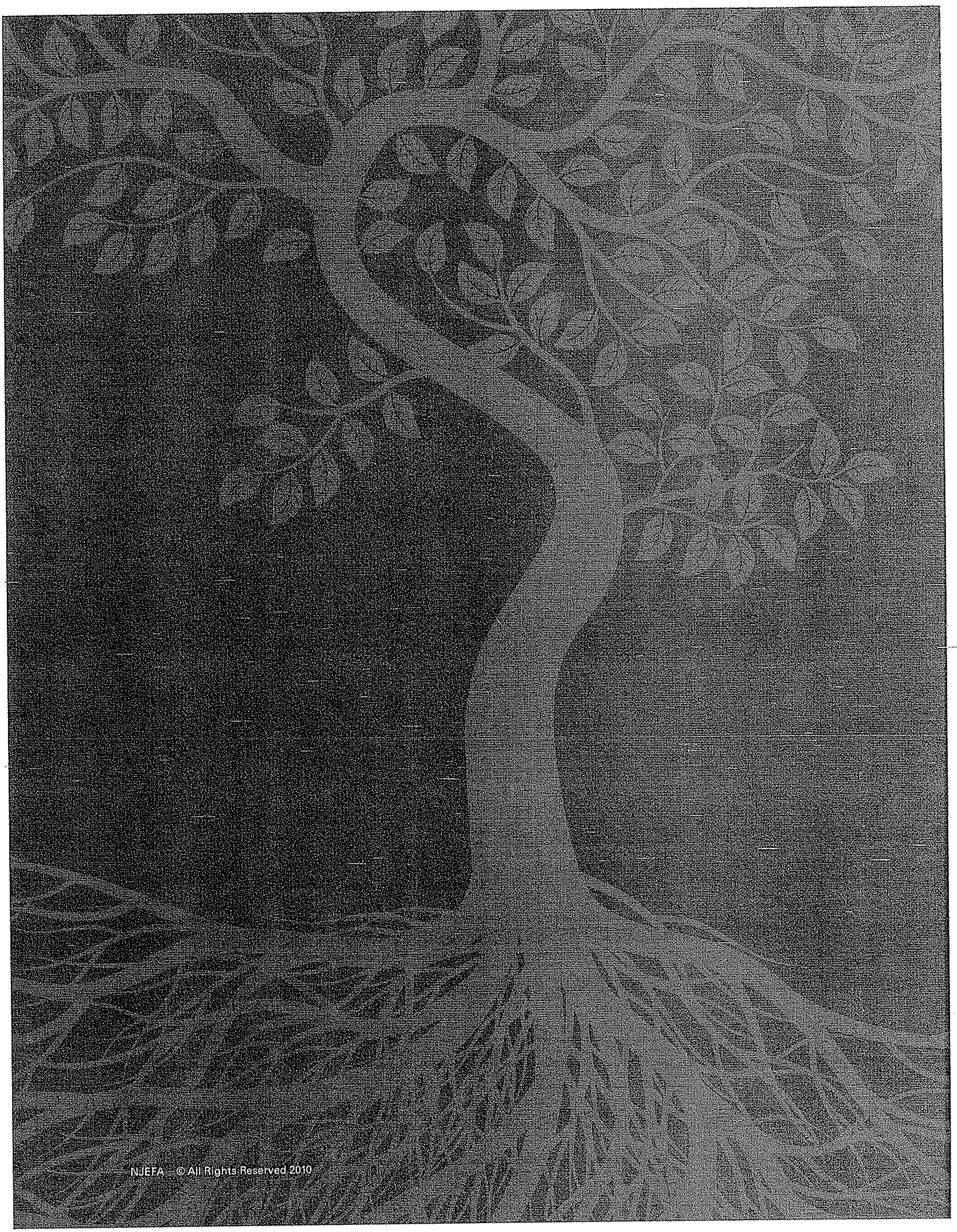
Annual Report 2009



BUILDING FUTURES

FOR NEW JERSEY AND ITS HIGHER EDUCATION COMMUNITY

NJEFA



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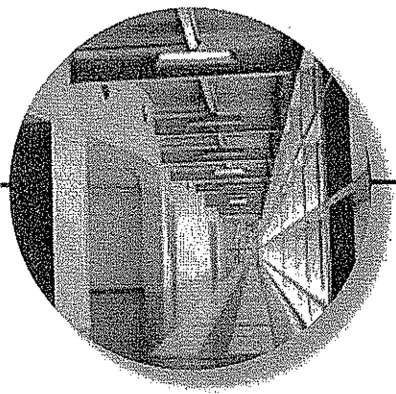
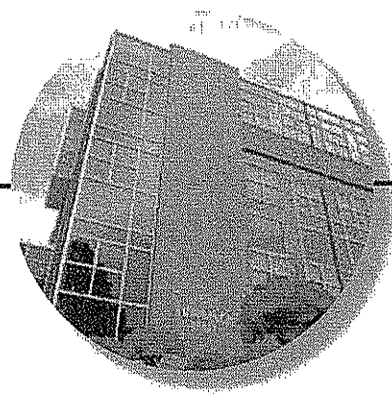
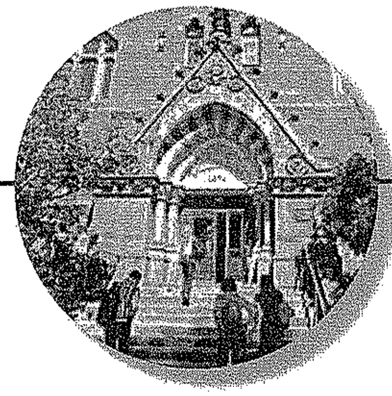
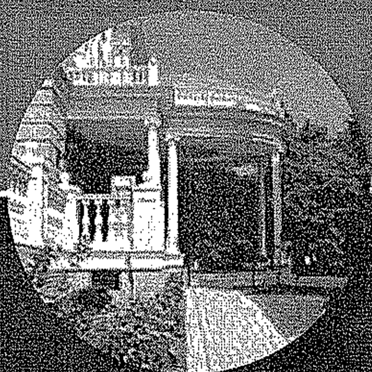
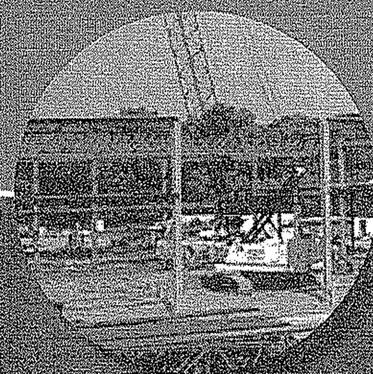








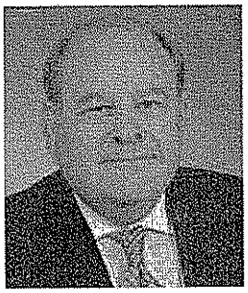


Our mission is to support world-class higher education in New Jersey.

As a public fiduciary, our business is to help our college and university clients obtain low-cost financing for the development of their facilities.

We are helping our clients invest in the treasures that are our colleges and universities, so they can provide the opportunities for our citizens that will build the future of all New Jersey.

NJEFA
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY



Roger B. Jacobs, Esq.
Chairman

Mary Jane Darby
Acting Executive Director

To the Governor and Members of the New Jersey Legislature:

We proudly present the 2009 Annual Report of the New Jersey Educational Facilities Authority, marking our 44th year of providing financial services to New Jersey and its higher education community. This report details the Authority's six financings completed during the year on behalf of five institutions, which had a combined total of approximately $500 million. It also highlights the promise of higher education, specifically the broad impact that our activity and investing in our institutions has on our local, state and national economies.

The year was marked by considerable success and challenges. This report discusses how New Jersey's colleges and universities during 2009, along with higher education nationally, continued to deal with the fallout from 2008's market crises. It was a crisis that gave us the most difficult business climate of our lifetimes and a global recession that presented institutions of every type and size with new challenges.

Chief among them were declines in the equity markets that caused college endowment losses in 2009 that neared 19 percent, according to Moody's Investors Service. Combined with declining state support nationally, the result was new pressures on operating budgets, particularly on those of the wealthiest institutions that rely more heavily on endowments to fund operations. Investment losses have also eroded personal wealth which has made paying for college across all sectors more difficult for students and their parents.

Addressing higher education's long-term needs has also become much more difficult as a result of the recessionary global economy. This report focuses on how colleges and universities are continuing to meet their long-term and interconnected challenges of providing academic excellence, expanding access and maintaining affordability. It also highlights the convergence of these challenges at a time when higher education's success is more important than ever to the individual and to our national and state economies.

As we look beyond the challenges of 2009, recent months at the Authority have brought significant staff and board changes with the resignation of the Authority's long-time Chair, Vivian Altman, and Executive Director, Roger Anderson. We take this opportunity to recognize and extend a heartfelt thank you to these two exceptional individuals for their profound contributions to the Authority, to the State and its higher education community.

Vivian Altman, first appointed as a member in 1994, served as the Authority's Chair for more than eleven years. Under her tenure, she successfully guided the Authority through $8.9 billion in financings for New Jersey's colleges and universities of which $4.6 billion was new investment that transformed virtually every college campus in New Jersey. Roger Anderson, the Authority's second longest serving Executive Director, led the Authority through the better part of a decade that was also the busiest in its history. Under Roger's leadership, the Authority completed 117 financings for the State's colleges and universities which represented nearly 60 percent of all financings the Authority has completed since its creation by the Legislature in 1966.

Both Vivian and Roger will be sorely missed, but they leave an agency and staff that is well positioned to continue to provide the highest level of service to New Jersey's institutions in helping them secure the lowest cost of capital to finance their campus facilities. In doing so, we foresee pursuing new and better ways to serve our college and university clients across all sectors, including community colleges, as they nurture New Jersey's greatest resource, our young people--the leaders of tomorrow.

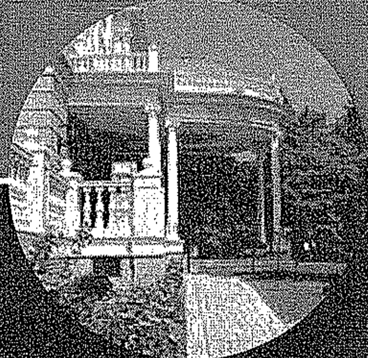
We thank Governor Christie and the members of the Legislature for their support. We also thank NJEFA's Members for their dedication and our exceptional staff for their tireless efforts throughout the year.

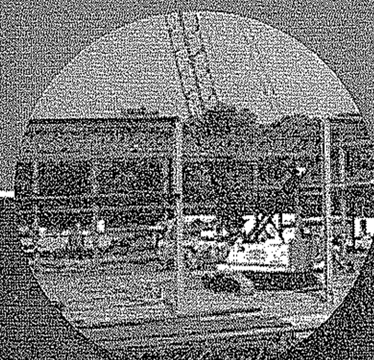
Sincerely,

Roger B. Jacobs, Esq. Mary Jane Darby

New Jersey's Colleges and Universities:

Robust Engines for Economic Growth





"When the nation and the world emerge from this recession, the competitive knowledge-based global economy will continue to demand more college-educated workers."

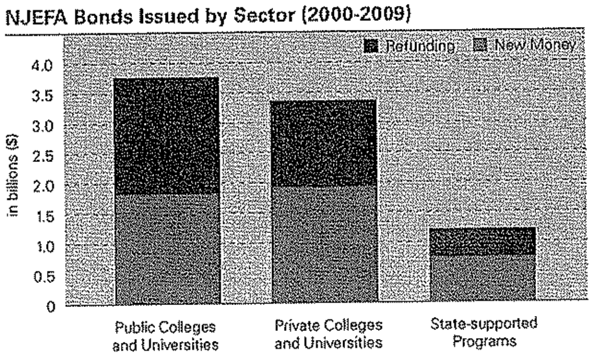
–The National Center for Public Policy and Higher Education

Colleges and universities are essential to American culture and way of life. Their central mission is to provide students with the education, training, and skills they need to compete in the workforce, and to make positive contributions to the industries in which they work. Just as essential are the profound contributions that institutions of higher education make to our collective economic well being and quality of life.

As robust engines for economic growth within their host communities and beyond, colleges and universities are often among a region's or locality's top employers. In addition, all of their ancillary business activity related to operating and supporting an academic environment creates jobs and business opportunities for numerous other industries including the construction, tourism, retail and food service industries, as well as for vendors, host communities, and much more.

By financing capital projects for the Garden State's institutions of higher learning, the New Jersey Educational Facilities Authority has served the students and the State and enabled these economic engines to thrive. Since its founding in 1966, the Authority has completed 440 financings totaling more than $12.1 billion. The Authority and its clients' financings have never had a default, and today the Authority has about $5.2 billion bonds outstanding. In the last decade alone, the Authority sold more than two-thirds of the debt it had ever issued, and completed $8.3 billion in financings for New Jersey's colleges and universities as they have invested in their

NJEFA Bonds Issued by Sector (2000-2009)



Source: NJEFA

campuses. Of that amount, $4.5 billion financed new capital projects that have included virtually every type of facility found on today's modern, state-of-the-art campuses.

One result of that investment, in part, is that New Jersey's institutions can now accommodate 100,000 more students than 10 years ago, with public colleges increasing capacity by nearly 35 percent. Between 2000 and 2009, overall enrollment at New Jersey's colleges rose by nearly 94,000, and the number of degrees and certificates increased by 36 percent. According to the New Jersey Commission on Higher Education, in the fall of 2009, more than 432,000 students were enrolled in New Jersey's colleges and universities.

NJ Enrollment: Degrees Conferred (2000-2009)

	Total Enrollments	Total Degrees / Certificates
2000	335,930	52,579
2001	346,277	53,205
2002	361,757	55,866
2003	372,696	58,277
2004	379,447	61,428
2005	379,686	64,007
2006	385,612	65,105
2007	398,169	66,364
2008	410,193	69,357
2009	432,167	71,749
Cumulative Increase	96,237 (28.65%)	19,170 (36.45%)

Source: New Jersey Commission on Higher Education

Today, 40 percent of the State's 8.68 million residents hold at least an associate's degree, the 11th highest in the nation, and nearly 30 percent have a bachelor's degree or higher. New Jersey's highly educated workforce and network of outstanding colleges and universities means that the State has the necessary components to propel it into a new era of economic growth, in spite of recessionary times and an unemployment rate that spiked to 10.1 percent during 2009, the State's highest since 1977.

A 2009 study by the Federal Reserve Bank of New York found that colleges and universities raise the level of human capital of a region in two ways—by producing skilled labor and serving as hubs for research and development. The result is that colleges and universities increase both the supply of and demand for educated workers in an area, particularly in innovative and technical positions in the fields of computers and math; life, physical, and social sciences; business and financial operations; and architecture and engineering.

The Fed study showed that the Northeastern, New Jersey, and New York metropolitan area annually produces the highest number of degrees (143,971) and the highest academic research and development expenditures ($2,688.71 million) in the country.

Princeton University is an example of a research and development hub that has added tremendous value to the local and regional economy. Between 2002 and 2007, Princeton entered into 119 patent license and option agreements with private companies and institutions for use of Princeton's intellectual property, resulting in 225 licensed technologies.

A separate New York Fed study, which was published in 2008, found that with each one percent increase in a metropolitan area's population with a college degree, there is a 2.3 percent increase in the region's per capita gross domestic product. Focusing solely on wages, the College Board found that workers with lower education levels earn more if others in the same metropolitan area are more educated. The College Board estimates that a 1 percentage point increase in the proportion of a population holding a four-year degree leads to a nearly 2 percent increase in the wages of workers without a high school diploma and a 1.6 percent increase in the wages of high school graduates. Both the Fed's and the College Board's studies help explain why New Jersey's population, the 11th most highly educated in the nation, enjoys personal income that is about 14 percent higher than the national average.

According to a recent study by the New Jersey Presidents' Council, in 2007-08, the Garden State's colleges and universities made direct contributions to New Jersey's economy by generating $8.6 billion in revenue, including tuition and fees (29 percent), federal funds, private gifts, and investment earnings (22 percent), and state and local government funding (27 percent).

During this period, according to the Council, the State's colleges and universities, both private and public, employed 80,260 individuals, excluding students, making colleges and universities collectively the 6th largest employer in New Jersey, ahead of banking, insurance, and pharmaceutical and chemical manufacturing. The payroll alone, including full- and part-time workers and students, was nearly $4 billion.

New Jersey Presidents' Council Employment compared with selected New Jersey Industries, 2007

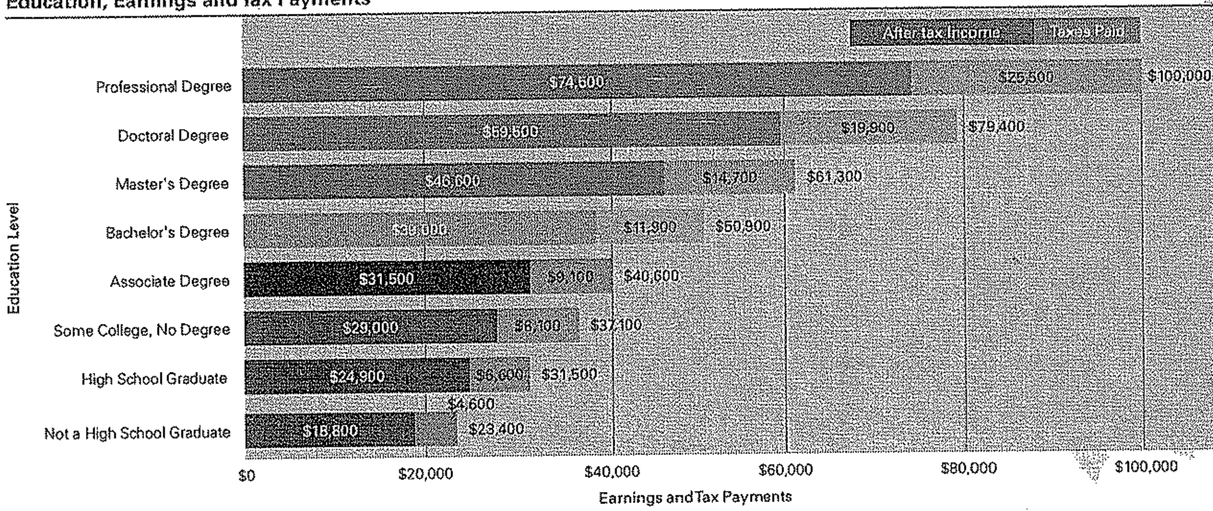
Industry	Annual Average Employment
Construction	171,077
Hospitals (public and private)	158,346
Food and beverage retailing	108,180
Full-service restaurants	97,994
Air, truck, private ground passenger transport	85,700
New Jersey Presidents' Council Members	**80,260**
Banking	76,966
Insurance	72,175
Pharmaceutical & chemical manufacturing	70,704
Real estate	59,317
Arts, entertainment, and recreation	51,417
Telecommunications	40,301
Casino hotels	38,600

Sources: Partners for Prosperity: New Jersey and Higher Education, The NJ Presidents' Council; New Jersey Department of Labor and Workforce Development

Expenditures on capital construction and outside vendors by colleges and universities was just as impressive in terms of economic impact. The Presidents' Council study found, in 2008, New Jersey's colleges and universities spent about $677.5 million on capital construction projects, which created an estimated 4,250 additional construction jobs in the State. About 40 percent of that amount was new capital for campus projects financed through the Authority. Further, institutions' payments to outside vendors for goods and services totaled $1.3 billion, which also created an estimated 8,930 jobs.

The most evident benefit of higher education is the profound impact it has on an individual's earning power. In its report entitled *Education Pays: The Benefits of Higher Education for Individuals and Society*, the College Board found that a typical full-time year-round worker in the United States with a four-year college degree earned roughly 62 percent more than a worker with only a high school diploma. While college graduates, on average, make more money, the College Board found that even those who borrow to go to college earn enough over time to outweigh tuition, borrowing costs and earnings foregone while in school.

Education, Earnings and Tax Payments



Sources: The College Board; U.S. Census Bureau, 2006; Internal Revenue Service, 2006; McIntyre et al., 2003

The same holds true for New Jerseyans. The Presidents' Council study found that the State's residents with some college or an associate's degree earned a median annual income of $40,354 in 2007, 26 percent higher than New Jersey residents with a high school diploma. Residents with a bachelor's degree earned a median annual income of $55,191, while individuals with graduate or professional degrees earned a median annual income of close to $80,000.

Numerous reports have highlighted other societal benefits of a college education. Among them are increased federal, state and local tax payments by college graduates; a greater likelihood of having health insurance and retirement plans, lower levels of poverty, crime rates and reliance upon public assistance programs; and greater participation in civic affairs, including volunteerism, voter participation and blood donation.

Considering volunteerism alone, the Presidents' Council found that college graduates are twice as likely to volunteer and engage in other community activities as individuals who haven't attended college. In 2007-08, more than 32,500 students attending New Jersey's colleges and universities participated in community service and collectively performed 584,000 hours of service.

New Jersey's colleges and universities also routinely partner with local governments and organizations to encourage economic development in depressed communities; enliven communities by offering cultural activities such as concerts, plays, lectures, art exhibits, and other events; introduce energy saving measures to improve the environment; and work with local school districts to improve public education.

New Jersey's, and indeed our country's, future economic well being and prosperity depends on an educated population. Among the most significant individual and societal benefits is the multi-generational effect of a college education. The College Board has found that children of parents with higher levels of educational attainment are better prepared for school and are more involved in all types of extracurricular activities. The children of college-educated individuals not only perform better academically, but they also have a greater likelihood of attending college themselves, continuing the cycle of contribution to the economic vitality of the communities and states in which they live.

> *"Higher education goes hand in hand with NJ's long-term economic viability. Giving our students and workers the skills they need to be competitive in today's emerging industries will ensure both New Jersey's economic growth and job creation."*
>
> —Chris Christie, Governor of New Jersey

Challenges to U.S. Higher Education

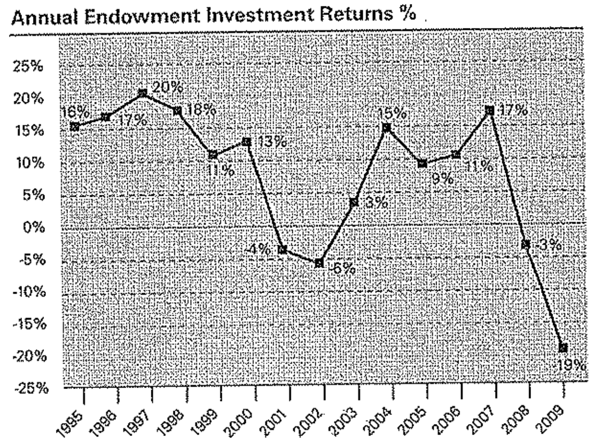
New Jersey has long recognized higher education's contribution to the long-term financial health of the State. Governor Chris Christie has said that, "[G]iving our students the skills they need to be competitive in today's emerging industries will ensure both New Jersey's economic growth and job creation."

The Presidents' Council study showed that the Garden State's colleges and universities awarded more than one million of the degrees held by the State's residents. An estimated 66 percent of the individuals who graduated from these institutions have remained in the State and continue to contribute to its economic growth and community development.

A major challenge, however, is the continued lack of space in New Jersey's colleges and universities to accommodate the growing need. Because of space constraints, only about 50 percent of in-state applicants attend public institutions in New Jersey compared to 70 percent nationally. As a result, New Jersey ranks 46th out of the 50 states in enrollment per capita at its public institutions. Around 30,000 students leave the State each year to attend college elsewhere, more than any other state in the nation.

Exacerbating the capacity challenge throughout 2009 was the persistent recessionary economy which threatened institutions of higher learning in New Jersey and the rest of the nation. Students enrolled in colleges and universities in record numbers, as their families struggled to pay tuition in the midst of job losses and sour housing and investment markets. College and university endowments plunged, and state and local budgets were left with gaping holes.

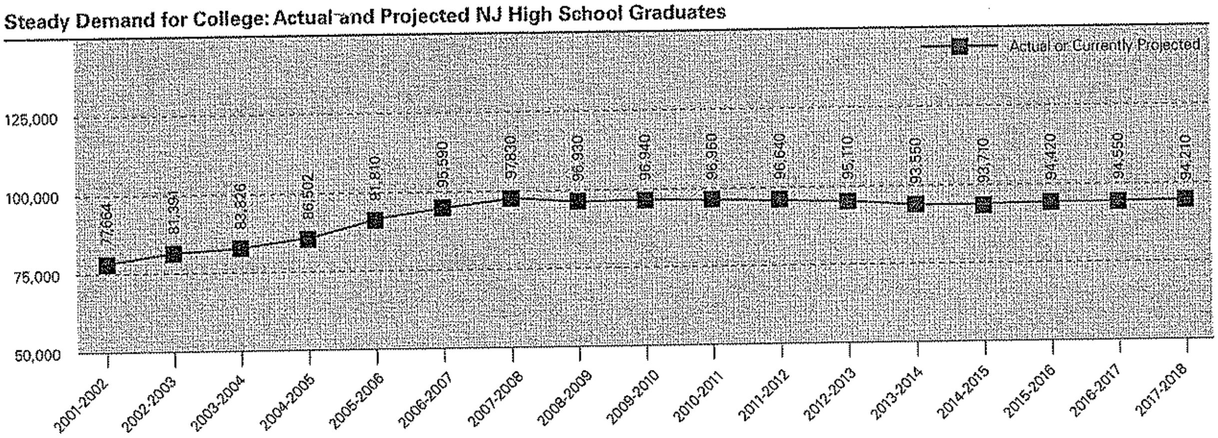
Annual Endowment Investment Returns %



Sources: Moody's Investors Service; NACUBO Endowment Study

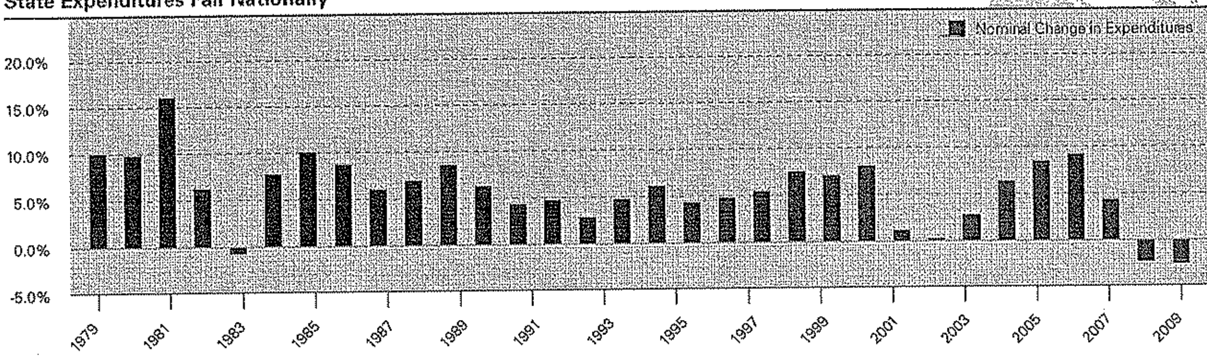
The year saw the bottoming out and nascent recovery of most financial markets (excluding housing and employment). For colleges and universities, however, Moody's estimated that overall endowments declined 19 percent during FY 2009. While endowment losses have affected all institutions, they have had the biggest effect on the wealthiest universities that rely on large endowments for significant portions of their operating revenue.

Steady Demand for College: Actual and Projected NJ High School Graduates



Sources: NJ Association of State Colleges and Universities; National Center for Education Statistics, September 2008

State Expenditures Fall Nationally



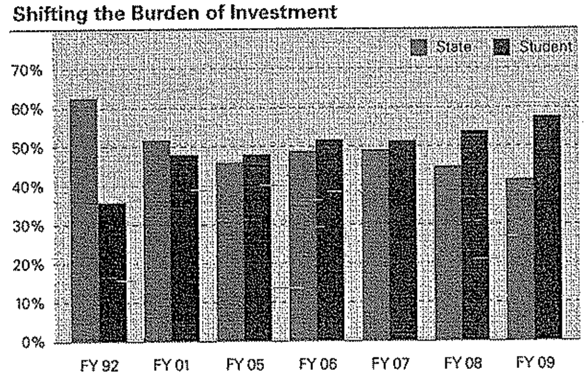
Source: Moody's Investors Service

Another effect of the recession was the nationwide, dramatic drop in state tax revenues that forced all states to make unpopular choices and many, including New Jersey, to reduce aid to higher education. Moody's reported that the median share of operating revenues contributed by state appropriations nationally was 32.7 percent in FY 2008, but that economic conditions prompted all states to reduce appropriations by an average of one percent in FY 2009, and an additional five percent in FY 2010.

New Jersey spent $1.998 billion on higher education operating expenses in FY 2009, about 2.9 percent less than in FY 2008. Since state appropriations for public higher education in New Jersey are less than they were 10 years ago, tuition is making up the difference, which has driven up the cost of college for students.

Contributing to rising tuition and fees for students and parents is the persistent long-term challenge of resources for capital facilities. State support for capital facilities has been limited in New Jersey over the last several decades. The last general obligation bond issue for college and university capital facilities was 22 years ago. As a result, our institutions have had to raise the funds necessary for capital expansion on their own in order to accommodate growing student demand, preserve facilities and remain globally competitive. They have done so primarily by borrowing through the Authority and our activity has financed tremendous growth and modernization.

Shifting the Burden of Investment



Sources: New Jersey Association of State Colleges and Universities calculations; New Jersey Commission on Higher Education

Declining state support combined with political limitations on tuition and erosion of family wealth prompted Moody's in early 2009 to change its outlook for higher education from stable to negative for the first time ever. In its mid-year update, Moody's reported that while "fundamental challenges remain. ...immediate pressures on U.S. higher education are easing." Factors that helped ease pressures for institutions included slowed capital spending, institutional budget reductions, improved equity markets, and easing of the credit crisis. Despite these factors, Moody's highlighted a number of uncertainties that continue to face colleges and universities. Namely, that they are grappling with investment losses, weakened donor support, illiquid balance sheets, volatile debt markets and debt structures, and greater demand for financial aid.

Challenges to U.S. Higher Education

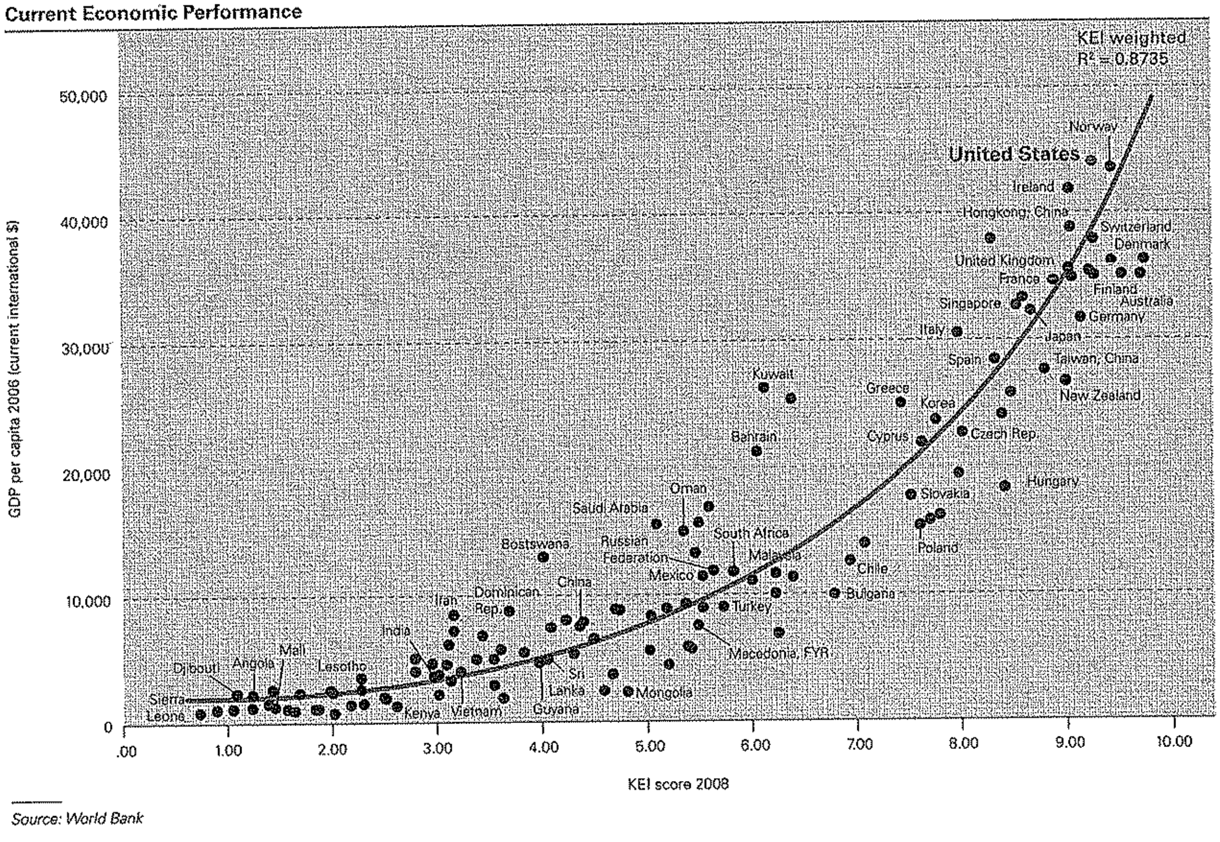
A bright spot for higher education during 2009 was the American Recovery and Reinvestment Act ("Recovery Act"). Signed by President Obama in February 2009, the Recovery Act helped mitigate the adverse effects of the recession on colleges and universities, albeit for only one year, by providing some operational relief which helped to offset some cuts in state funding. Relief was provided through the Act's State Fiscal Stabilization Fund which restored $1.3 billion in state aid to New Jersey's school districts and public colleges and universities.

Nationally, the Recovery Act authorized investment of $16 billion in research through federal agencies and $31 billion to help families pay for college—$17 billion for the Pell Grant program; $200 million for the Federal Work-Study program; and $13.8 billion for the American Opportunity Tax Credit. The Act also introduced Build America Bonds, a new program to help lower the cost of financing eligible capital projects. The program allows qualified governmental issuers to sell taxable bonds and receive a federal subsidy equal to 35 percent of the interest costs.

Despite the temporary relief provided by the Recovery Act, the core challenges facing higher education continue; namely, to provide academic excellence, to increase capacity to serve more students, and to maintain affordability. Global economic developments and pressures of the last few years have made these long-term challenges more difficult at the same time that the need for higher education worldwide is accelerating.

The World Bank developed the Knowledge Economy Index (KEI) to track the connection between countries' economic competitiveness and education. One of four primary measures of the KEI is "Education and Training," which reflects a country's ability to provide its residents with education and skills and captures the adult literacy rate, gross secondary enrollment rate, and gross tertiary enrollment rate. On this measure alone, the U.S. was ranked 13th. Collectively, across all measures, the United States' ranking in the World Bank's KEI fell to 9th in 2008 from 3rd in 1995 indicating that education must remain a priority for the country to continue to compete in a global economy.

Current Economic Performance



Source: World Bank

"In the coming years, jobs requiring at least an associate degree are projected to grow twice as fast as jobs requiring no college experience. We will not fill those jobs—or keep those jobs on our shores—without the training offered by community colleges."

– President Barack Obama

One positive indicator that education will remain a priority for the U.S. is President Obama's recognition of the need to restore America's leadership in higher education. In a speech at Cairo University, Egypt, the President said, "[E]ducation and innovation will be the currency of the 21st century." Through the American Recovery and Reinvestment Act, the President has authorized substantial investment in higher education and has pledged that the United States will have the highest proportion of students graduating from college in the world by 2020.

To prepare citizens for the 21st century economy, President Obama said that all Americans should enroll in at least one year of higher education or job training. To that end, President Obama acknowledged the value of community colleges in a prosperous economy. In July 2009, the President announced the American Graduation Initiative that called for an additional five million community college degrees and certificates by 2020, and an investment of $2 billion over four years for community college and career training.

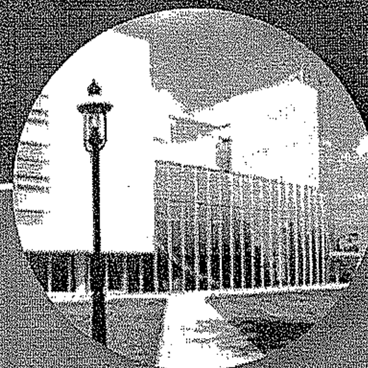
Nationwide, enrollment at community colleges increased 11.4 percent between the fall of 2008 and 2009, while full-time undergraduate enrollment at public colleges and universities rose 2.3 percent during the same period, according to Moody's.

New Jersey's community colleges, which receive capital funding through the Chapter 12 revolving program, are among the state institutions struggling to keep up with demand. Enrollment at New Jersey's community colleges, which make up the State's largest sector of higher education, increased by 12 percent as individuals sought to increase their marketability during the recession. New Jersey's 19 community colleges operate on 60 campuses in 21 counties and serve more than 175,000 students in degree programs, with another 125,000 in continuing education and workforce development programs.

For the next several years, and perhaps decades, the predominant theme in higher education, worldwide, will be the disparity between the need for new investment and ballooning costs. According to the Lumina Foundation for Education, states and countries that are first to resolve that struggle will reap enormous rewards.

The New Jersey Educational Facilities Authority is proud of its long history of service to the State and to New Jersey's higher education community as our clients have sought to remain among the world's very best academic institutions. The Authority looks forward to continuing to support our colleges' and universities' capital needs as they pursue their missions in the midst of today's challenges.

Year in Review—
2009 Transactions



The Authority was established in 1966 to help colleges finance their capital expansions. Since then, it has completed 440 transactions totaling more than $12.1 billion and has more than $5.2 billion outstanding. Institutions have been forced to borrow to fund capital improvements because the last general obligation bond issue for higher education was 22 years ago.

In previous years, the Authority's bond activity has mirrored the national trend. In 2009 however, the Authority's financing volume was down due in part to economic and cyclical factors as colleges completed the projects they financed in recent years.

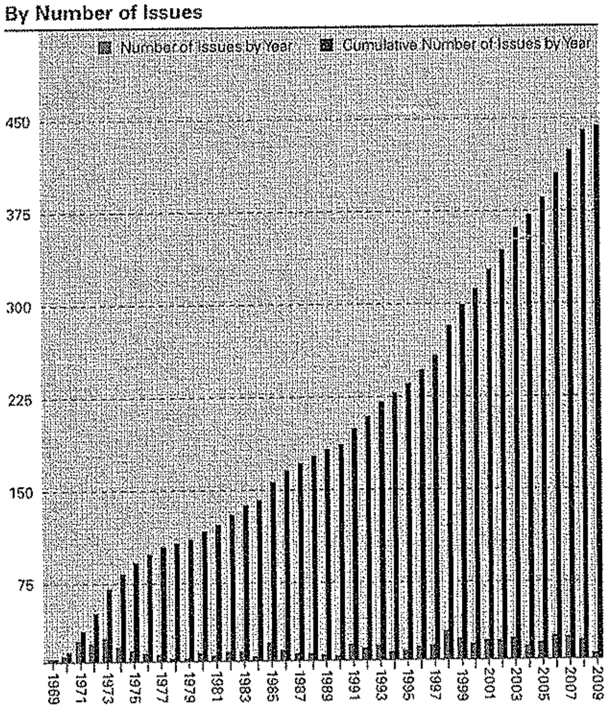
Nationally, the number of municipal and higher education bonds issued increased in 2009 compared to 2008. The Federal Government's Build America Bonds program is credited with boosting total municipal market issuance to $409.2 billion in 2009, which is about $19 billion shy of the record volume set in 2007 of $427.9 billion.

The Build America Bonds program is scheduled to expire on December 31, 2010. Due to the program's success in generating investor interest and new capital project development, President Obama has proposed to make the program permanent, expand eligible issuers to include nonprofits, private colleges, and others, and lower the subsidy to 28 percent. Several legislative initiatives in Congress are also attempting to extend the program and/or to make it a permanent alternative for lowering capital financing costs.

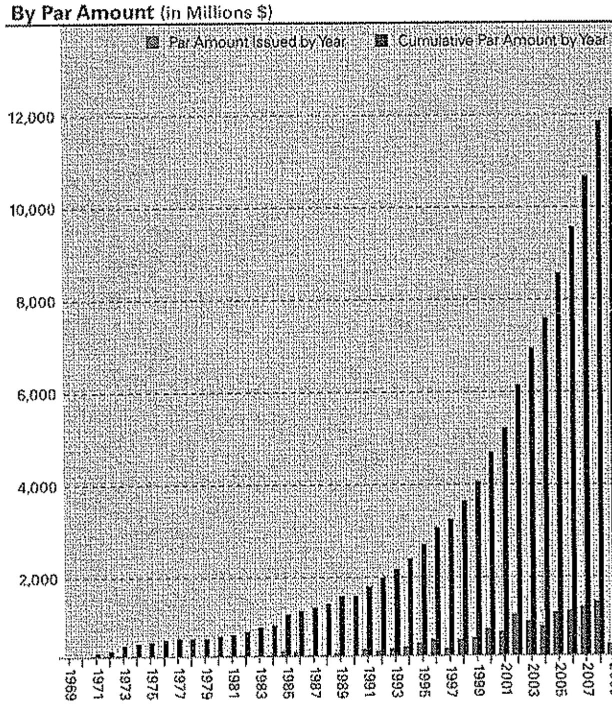
In 2009, the Authority closed six financings for five institutions totaling about $490 million, with $31 million for new projects and the remainder for refinancings. The volume of our transactions was 60 percent lower than in 2008, a year in which a dramatic series of crises in the financial markets prompted a succession of refinancing activity to restructure auction rate securities and insured variable rate demand bonds for nine institutions.

The new projects during 2009 included $27,545,000 to finance the construction of a six-story residence hall at **Montclair State University** that is expected to house approximately 309 students, and a $3.4 million lease transaction to acquire laptop computers for **Seton Hall University**.

By Number of Issues

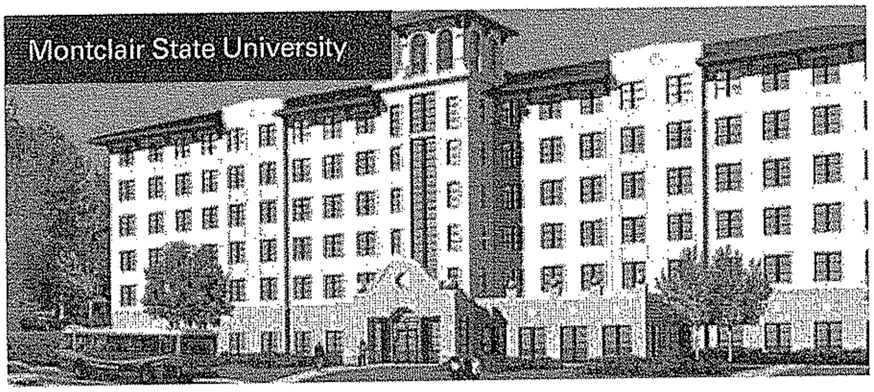


By Par Amount (in Millions $)



Source: NJEFA

New Money Transactions



type of school
4-Year Public University
located in
Upper Montclair

In January, the Authority sold $27,545,000 revenue bonds on behalf of Montclair State University in its Series 2008 J financing.

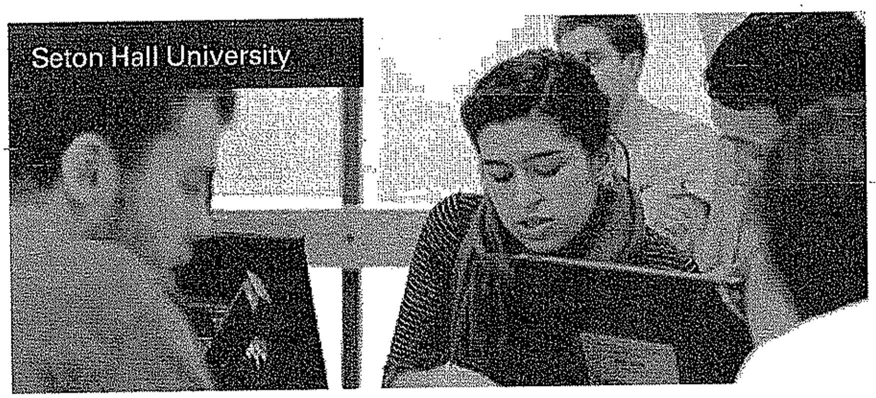
Following a volatile end to 2008, where the market saw low volume and issuers experienced difficulty accessing the market, the University was one of the first single-A rated higher education issuers to successfully complete a transaction in the new year. The bonds were issued at fixed rates with a true interest cost of 5.10%.

Proceeds from the sale of the Series 2008 J bonds were used to finance the construction of a new student housing complex. The six-story residence hall is expected to house approximately 309 students and come equipped with a shuttle pick up/drop off loop, service yard, and parking lot.

47%
applicants admitted

97%
in-state students

18,171
total enrollment



type of school
4-Year Private University
located in
South Orange

During 2009, the Authority completed two issues for Seton Hall University for a total of $11,326,289.

In May, the Authority closed a $3.4 million, fixed rate, tax-exempt equipment lease transaction that was used for the acquisition of laptop computers. The lease has an interest rate of 3.04% and is repayable over a two-year term.

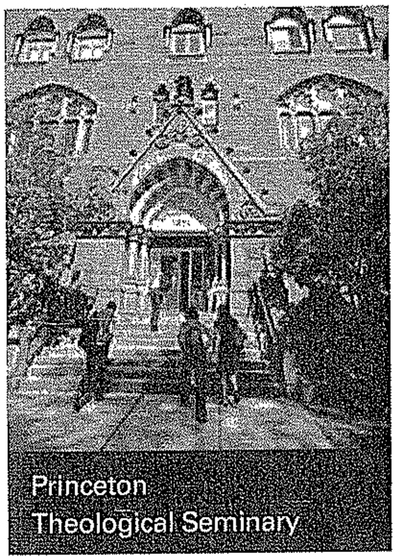
In November, the Authority closed the 2009 Series C variable rate revenue bonds. Proceeds of the $7,955,000 million bond issue were used to refund the Authority's outstanding 1998 Series, Project F bonds issued on behalf of the University. In light of the scarcity and high cost of credit facilities and the size of the issue, the University structured the issue as a direct purchase.

79%
applicants admitted

71%
in-state students

9,616
total enrollment

Restructuring and Refunding Activity



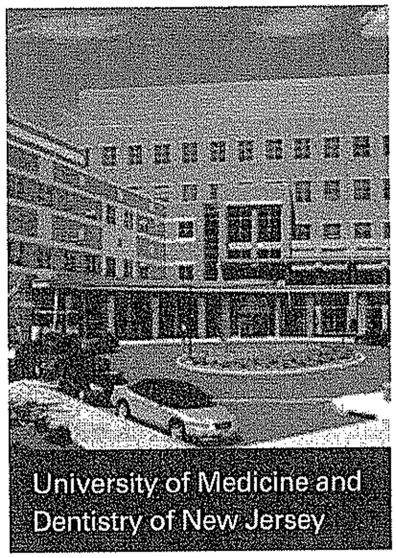
Princeton Theological Seminary

In April, the Authority sold $14,435,000 revenue refunding bonds on behalf of Princeton Theological Seminary.

The 2009 Series B transaction refunded a portion of the Authority's outstanding 1997 Series A bonds previously issued for the Seminary.

The bonds were issued at fixed rates with a true interest cost of 2.878% and with a final maturity of July 1, 2022. The financing provided net present value savings to the Seminary of $1,927,085.30 or 12.44% of the refunded par.

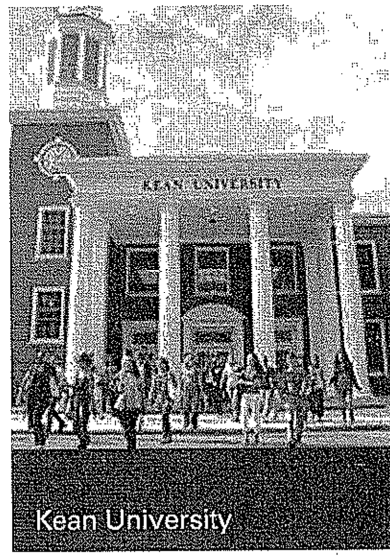
Photo courtesy of Kim Schmidt, Princeton Theological Seminary



University of Medicine and Dentistry of New Jersey

In April, the Authority sold $258,075,000 bonds on behalf of the University of Medicine and Dentistry of New Jersey.

The Series 2009 B bonds refunded the Authority's outstanding Series 1995 B and Series 1999 C issues and the University's Series 2001 A, and 2002 Series B issues. The Authority and its finance team developed a unique credit structure for the refinancing which enabled the University to achieve its goals of refinancing variable rate debt and minimizing market, bank, tender and counterparty risk. The structure included a lockbox feature such that unrestricted state appropriations, and certain restricted state appropriations, are deposited monthly with a lockbox bank, applied to the upcoming debt service payment and then made available for general corporate purposes. The fixed rate structure provided market access in an otherwise uncertain market and priced with significant retail and institutional interest, ultimately carrying a true interest cost of 7.47%.



Kean University

In June, the Authority sold $179,380,000 revenue refunding bonds on behalf of Kean University.

Proceeds from the bonds were used to restructure the Authority's outstanding Series 2007 E-1 and Series 2007 E-2 auction rate bonds. The fixed rate issue attracted significant interest from both retail and institutional investors and secured a true interest cost of 6.4%.

About the NJEFA

The mandate of NJEFA is to issue tax-exempt and taxable debt on behalf of qualified institutions of higher education to facilitate their capital finance and development needs.

Oversight and direction of NJEFA is entrusted to a seven-member board composed of five public, unsalaried members appointed to five-year terms by the Governor with confirmation by the New Jersey Senate. The State Treasurer and Chair of the Commission on Higher Education serve ex-officio.

The mandate of NJEFA is to issue tax-exempt and taxable debt on behalf of qualified institutions of higher education to facilitate their capital finance and development needs. The bonds and other financial instruments of the Authority are special and limited obligations, secured and repaid by the institution for which it provides financing.

NJEFA's bonds and other obligations have no guarantee of repayment by the State unless authorized by statute. Exceptions occur only when the State assumes a repayment obligation and identifies a repayment source. The latter is the case in the State's commitment to pay debt service on bonds issued under programs like the Higher Education Capital Improvement Fund.

Institutions of higher education can utilize NJEFA financing for a variety of projects including construction, renovation, improvement and expansion of academic buildings such as classroom facilities, laboratories and research facilities. Also eligible are auxiliary service facilities like dining halls, utility plants, libraries, dormitories, athletic facilities, parking facilities, student unions, administration buildings and campus health care facilities. Authority financing can be utilized as well for the acquisition of capital equipment such as high technology and research equipment.

Eligible institutions, including accredited two- and four-year colleges and universities, identify their capital and construction requirements and then work with NJEFA to develop financing that will meet the fiscal needs of their projects. Working with the institution, NJEFA will take its bond issue to market, capitalizing on the lower interest rates the Authority can obtain as a public fiduciary.

The Authority has never experienced a default. As a result, its reputation for fiscal responsibility and integrity is impeccable and carries the practical benefit of lower interest rates for its clients.

NJEFA Members

Roger B. Jacobs, Esq.
Chairman

Ridgeley Hutchinson
Vice Chairman

Joshua E. Hodes
Treasurer

Andrew P. Sidamon-Eristoff
Treasurer of New Jersey, Ex-Officio

Steven D. Weinstein: Not pictured
Chair, Commission on Higher Education, Ex-Officio

NJEFA Staff

Roger L. Anderson, *Executive Director*
Barbara L. Cannon, *Deputy Executive Director*
Sheila R. Toles, *Executive Assistant/HR Specialist*
Mary Jane Darby, *Director of Project Management*
Vito L. Galluccio, *Project Manager*
Jennifer M. Soyka, Esq., *Project Manager*
Jennifer LaMarsh, *Project/Communications Assistant*
Marie P. Mueller, *Controller*
Kristen Middleton, *Assistant Controller*
Gary D. Vencius, *Senior Accountant*
Jamie O'Donnell, *Accountant*
Denise K. Carroll, *Administrative Assistant*
Katherine A. Newell, Esq., *Director of Risk Management*
Debra L. Paterson, *Senior Risk Manager*
Sheryl A. Stitt, *Director of Communications*
Nichole Doxey, *Communications Specialist*
Linda J. Hazley, *Office Manager*
Christine M. Hart, *Summer Intern* (not pictured)

Historical Financings

The New Jersey Educational Facilities Authority was established in 1966 to provide assistance to New Jersey's public and private colleges and universities by giving them access to tax-exempt financing through the facility of a public agency.

Atlantic Cape Community College

- Series 1999 B: $3,045,000; renovations, expansions, improvements

Beth Medrash Govoha

- 2000 Series G: $8,505,000; new dining hall, dormitory and administration building renovations

Bloomfield College

- 1998 Tax-Exempt Lease: $315,000; equipment acquisition
- 2000 Series A: $6,270,000; new library, library and college center renovations, equipment purchase

Caldwell College

- Bond Anticipation Note Issue M (1990): $3,000,000; library addition and renovation
- 1995 Series A: $4,800,000; academic building
- 2000 Series B: $9,235,000; student recreation center, parking lot and roadway improvements
- 2006 Series F: $21,400,000; refunding of 1995 Series A and 2000 Series B bonds, student residence hall

Centenary College

- 1998 Tax-Exempt Lease: $640,000; computer and equipment acquisition
- 2000 Series F: $6,130,000; Equestrian Center
- 2003 Series A: $14,775,000; student residence hall, computer acquisition, refunding of 2000 Series F bonds
- 2006 Series J: $9,154,113; refinancing of a bank loan
- 2007 Series B: $4,784,617; refinancing of a bank loan and various capital improvements

College of Saint Elizabeth

- 2000 Series C: $12,000,000; facility conversion and renovations to administration building, parking facility expansion
- 2006 Series K: $15,000,000; Fine and Performing Arts Center and various capital projects
- 2008 Series F: $24,090,000; debt restructuring

Drew University

- Bond Anticipation Note Issue I (1980): $8,875,000; library addition and renovation
- Bond Anticipation Note Issue I–Collateralized–Renewal One (1982): $11,690,000; refinance of Bond Anticipation Note Issue I (1980) and library addition and renovation
- Bond Anticipation Note Issue I–Collateralized–Renewal Two (1985): $11,935,000; refinance of Bond Anticipation Note Issue I–Collateralized–Renewal One (1982) and library addition and renovation
- Bond Anticipation Note Issue K (1984): $4,500,000; computer acquisition
- 1985 Series B: $12,275,000; library addition and renovation
- 1992 Series E: $29,180,000; athletic center
- 1997 Series B: $9,140,000; refunding of 1985 Series B bonds
- 1998 Series C: $27,935,000; refunding of 1992 Series E bonds
- 2003 Series C: $20,855,000; deferred maintenance
- 2007 Series D: $29,135,000; student housing, renovation of existing student housing and partial refunding of the 1998 Series C bonds
- 2008 Series B: $10,765,000; refunding of 1998 Series C bonds
- 2008 Series I: $12,000,000; capital improvements

Essex County College

- Series 1999 C: $4,570,000; renovations

Fairleigh Dickinson University

- 1972 Series A: $4,080,000; student residences
- 1985 Series C: $7,000,000; recreation center
- 1991 Series C: $8,700,000; equipment purchases
- 1993 Series C: $40,000,000; residence hall, recreation center, renovations, refunding of 1972 Series A and 1991 Series C bonds
- 1998 Series G: $16,615,000; student housing facility
- 2002 Series D: $63,650,000; new residence halls and academic building, student center addition, renovations
- 2004 Series C: $35,285,000; refunding of 1993 Series C bonds
- 2006 Series G and 2006 Series H: $16,652,544; refunding of 1998 Series G bonds and refinancing of various loans

Felician College

- 1996 Series A: $2,040,000; academic buildings
- 1997 Series D: $12,550,000; property acquisition and refunding of 1996 Series A bonds
- 1998 Tax-Exempt Lease: $897,000; telephone/ telecommunications equipment acquisition
- 2006 Series I: $11,445,000; refunding of 1997 Series D bonds

Georgian Court University

- 1991 Series, Project A: $7,410,000; library and student lounge
- 1998 Series, Project B: $6,455,000; renovations and refunding of 1991 Series, Project A bonds
- 2003 Series, Project C: $15,215,000; new residence hall, renovation of Arts and Sciences Building and library
- 2007 Series Project D: $26,980,000; Wellness Center and partial refunding of 2003 Series, Project C bonds
- 2007 Series H: $1,050,000; property acquisition

Hudson County College

- Series 1999 D: $7,750,000; land acquisition
- Series 1999 G: $2,035,000; property acquisition and construction

Institute for Advanced Study

- 1980 Series A (Collateralized): $8,775,000; rehabilitation and renovations
- 1991 Series B: $17,895,000; administration building, equipment purchase, refunding of 1980 Series A bonds
- 1997 Series F and 1997 Series G: $42,875,000; renovations to member housing and refunding of 1991 Series B bonds
- 2001 Series A: $11,000,000; School of Natural Sciences, building "D" renovations, capital projects
- 2006 Series B: $29,600,000; partial refunding of 1997 Series G and 2001 Series A bonds
- 2006 Series C: $20,000,000; Simons Center for Systems Biology, network and utility upgrades and Visitor's Housing Facility
- 2008 Series C: $11,255,000; partial refunding of 1997 Series F bonds and refunding of 1997 Series G bonds

Institute for Defense Analyses

- 2000 Series D: $16,695,000; property acquisition, office facility and parking
- Remarketing (2008): $15,015,000; remarketing of 2000 Series D bonds

Kean University

- Series 1974 B: $7,960,000; student apartments
- Series 1981 E: $4,185,000; Pingry School acquisition (East Campus)
- Series 1985 D: $4,440,000; refunding of Series 1981 E bonds
- Series 1991 B: $9,625,000; student apartments
- Series 1993 G: $8,770,000; College Center addition and library
- Series 1998 A: $16,400,000; academic building and athletic facilities
- Series 1998 B: $9,595,000; refunding of Series 1991 B bonds
- Series 2001 A: $6,465,000; Downs Hall addition/renovations
- Series 2003 D: $75,000,000; Wellness and Fitness Center, gymnasium renovations, stadium additions, Kean Building renovations, academic building
- Series 2005 B: $101,915,000; property acquisition, academic building, access road, and renovations to President's House, East Campus, guest cottages, and Wilkins Theater; refunding of Series 1993 G bonds
- Series 2007 D: $117,795,000; two residence halls with dining facility and parking deck
- Series 2007 E: $156,240,000; refunding of Series 1998 A and Series 2001 A and partial refunding of Series 2003 D and Series 2005 B bonds
- 2007 Tax-Exempt Lease: $916,666; equipment acquisition
- Series 2009 A: $179,380,000; refunding of Series 2007 E bonds

Middlesex County College

- Bond Anticipation Note Issue 9 (1971): $265,000; parking facility
- Series 1999 E: $4,370,000; road, building and safety improvements

Monmouth University

- 1975 Series A: $2,710,000; student union
- 1985 Series A: $2,150,000; academic building
- 1987 Series C: $1,750,000; student housing facility
- 1988 Series B: $10,500,000; apartment building, renovations, athletic facility
- Bond Anticipation Note Issue L (1990): $5,735,000; School of Business
- 1993 Series A: $14,365,000; various construction and renovation projects, land acquisition, refunding of 1988 Series B bonds
- 1994 Series B: $2,855,000; student housing facility
- 1994 Series C: $5,270,000; student housing facility
- 1997 Series C: $12,910,000; student housing facility, telephone system, refunding of 1985 Series A and 1987 Series C bonds
- 1998 Series D: $8,815,000; telecommunications/equipment acquisition, refunding of 1994 Series B and 1994 Series C bonds

Montclair State University

- Series 1972 B: $5,415,000; student union
- Series 1974 D: $6,425,000; dormitory and dining hall
- Series 1977 A: $1,720,000; student apartments
- Series 1977 B: $988,000; student apartments
- Series 1982 B: $15,980,000; dormitory, cafeteria
- Series 1982 C: $8,245,000; student center annex and playfields

Historical Financings

Montclair State University (continued)

- Series 1983 A: $20,720,000; refunding of Series 1982 B bonds
- Series 1983 B: $10,720,000; partial refunding of Series 1982 C bonds
- Series 1986 H: $21,690,000; refunding of Series 1983 A bonds
- Series 1986 I: $11,010,000; partial refunding of Series 1983 B bonds
- Series 1991 E: $10,260,000; academic building
- Series 1995 F: $4,780,000; dormitory and renovations
- Series 1996 C: $18,845,000; refunding of Series 1986 H bonds
- Series 1996 D: $9,575,000; refunding of Series 1986 I bonds
- Series 1997 D: $10,960,000; academic building
- Series 1997 E: $9,965,000; refunding of Series 1991 E bonds
- Series 2001 F: $18,695,000; parking facility
- Series 2002 F: $78,500,000; student housing facility and recreational complex
- Series 2003 E: $23,425,000; Performing Arts Theater and equipment
- Series 2003 L: $94,540,000; academic building and refunding of Series 1995 F bonds
- 2005 Conversion: $101,925,000; conversion of Series 2002 F and Series 2003 E auction rate bonds to fixed rate
- Series 2006 A: $98,090,000; student recreation center, parking structure, renovations to Chapin, Finley and Mallory Halls and Panzer Gymnasium
- Series 2006 B: $9,970,000; refunding of Series 1996 C and Series 1996 D bonds
- Series 2006 J: $154,110,000; refunding of Series 1997 D and Series 2001 F bonds and partial refunding of Series 2002 F, Series 2003 E and Series 2003 L bonds
- Series 2007 A: $6,150,000; refunding of Series 1997 E bonds
- Series 2008 J: $27,545,000; student housing facility

New Jersey City University

- Series 1971 B: $280,000; student apartments
- Series 1975 A: $7,275,000; student center and parking facility
- Series 1977 C: $8,570,000; refunding of Series 1975 A bonds
- Series 1987 A: $2,475,000; dormitory
- Series 1992 D: $15,350,000; athletic/recreation center and academic building
- Series 1993 H: $2,310,000; administration building, parking facility, tennis courts
- Series 1995 A: $2,315,000; property acquisition
- Series 1995 C: $2,175,000; refunding of Series 1987 A bonds
- Series 1998 E: $6,945,000; library and recreation center renovations
- Series 1999 B: $17,795,000; refunding of Series 1992 D and Series 1995 A bonds
- Series 2002 A: $15,115,000; fine arts building, student union renovations, campus card technology, parking improvements, fire protection upgrades
- Series 2003 A: $47,850,000; Arts and Sciences Tower, Charter School conversion, parking improvements, fire safety installation, equipment acquisition, student union renovations, ITS Department renovations, refunding of Series 1993 H bonds
- Series 2003 B: $2,300,000; renovations to Business Incubator facility
- Series 2005 A: $21,575,000; student union renovations, pedestrian mall, cogeneration plant, technology infrastructure
- Series 2006 C: $5,950,000; partial refunding of Series 1999 B bonds and refinancing of a bank loan
- Series 2007 F: $17,910,000; refunding of Series 1998 E bonds and partial refunding of Series 1999 B and Series 2002 A bonds
- Series 2008 E: $68,445,000; debt restructuring
- Series 2008 F: $6,175,000; debt restructuring

New Jersey Institute of Technology

- Series 1978 A: $700,000; dormitory
- Series 1982 A: $3,520,000; engineering building
- Series 1982 F: $6,235,000; dormitory
- Series 1986 A: $26,775,000; academic building
- Series 1986 B: $6,815,000; refunding of Series 1982 F bonds
- Series 1989 A: $20,925,000; dormitory and gymnasium addition
- Series 1991 D: $14,575,000; parking facility and student support facility
- Series 1994 A: $56,460,000; refunding of Series 1986 A, Series 1986 B, Series 1989 A, and Series 1991 D bonds
- Series 1995 E: $33,230,000; residence hall and academic building renovations
- Series 2001 G: $62,335,000; residence hall, renovations and additions to Campus Center
- Series 2001 H: $12,570,000 (federally taxable); Enterprise Development Center
- Series 2004 B: $73,530,000; refunding of Series 1994 A and Series 1995 E bonds

Ocean County College

- Series 1980 A: $1,680,000; computer acquisition

Passaic County College

- Series 1999 F: $2,015,000; acquisition and renovation

Princeton Theological Seminary

- 1985 Series E: $8,000,000; academic building
- 1992 Series C: $20,500,000; library addition, renovations to campus center and dormitories, refunding of 1985 Series E bonds
- 1996 Series B: $16,210,000; residence hall, renovations, faculty and administrative housing, land acquisition
- 1997 Series A: $22,485,000; refunding of 1992 Series C bonds
- 2002 Series G: $26,125,000; parking garage and refunding of 1996 Series B bonds
- 2009 Series B: $14,435,000; refunding of 1997 Series A bonds

Princeton University

- Bond Anticipation Note Issue H (1980): $5,000,000; dining hall and social facilities
- 1982 Series, Project A: $16,625,000; rehabilitation and repairs
- 1984 Series, Project B: $52,885,000; rehabilitation and repairs
- 1985 Series, Project C: $32,100,000; rehabilitation and repairs
- 1987 Series A: $28,785,000; rehabilitation and repairs, and a refunding of 1982 Series, Project A
- 1987 Series B: $22,285,000; rehabilitation and repairs
- 1988 Series A: $21,885,000; rehabilitation and repairs
- 1989 Series A: $15,400,000; rehabilitation and repairs
- 1990 Series A: $13,370,000; rehabilitation and repairs
- 1991 Series A: $15,185,000; rehabilitation and repairs
- 1992 Series F: $17,330,000; rehabilitation and repairs
- 1993 Series B: $17,475,000; rehabilitation and repairs
- 1994 Series A: $46,060,000; rehabilitation and repairs
- 1995 Series C: $28,865,000; rehabilitation and repairs
- 1996 Series C: $24,530,000; rehabilitation and repairs
- 1997 Series E: $22,150,000; rehabilitation and repairs
- Commercial Paper Notes: Not to exceed $120,000,000; stadium and renovations and repairs
- 1998 Series E: $19,010,000; refunding a portion of 1994 Series A bonds
- 1998 Series F: $40,000,000; rehabilitation and repairs
- 1999 Series A: $45,500,000; refunding of Commercial Paper Notes
- 1999 Series B: $50,000,000; major maintenance
- 2000 Series E: $50,000,000; renovations/capital improvements, addition to Princeton Press
- 2000 Series H: $100,000,000; renovations and refunding a portion of Commercial Paper Notes
- 2001 Series B: $100,000,000; renovations and capital improvements
- 2002 Series B: $100,000,000; renovations, refunding a portion of Commercial Paper Notes
- 2003 Series E: $112,510,000; refunding a portion of Commercial Paper Notes
- 2003 Series F: $75,000,000; various new construction and renovations
- 2003 Series D: $114,495,000; refunding of 1994 Series A, 1995 Series C, 1996 Series C, 1997 Series E, 1998 Series F, 1999 Series B, 2000 Series E, 2000 Series H bonds
- 2004 Series D: $175,000,000; dormitory, residential college, student apartments, other renovations and improvements, and refunding a portion of Commercial Paper Notes
- 2005 Series A: $139,590,000; refunding of 1995 Series C, 1998 Series E, 1998 Series F, 1999 Series A, 1999 Series B, 2000 Series E, 2000 Series H, 2003 Series E and 2004 Series D bonds
- 2005 Series B: $114,645,000; various new construction and renovations
- 2006 Series D: $74,290,000; various new construction and renovations, capital equipment
- 2006 Series E: $93,285,000; partial refunding of 1999 Series A, 2000 Series H, 2003 Series E, 2004 Series D and 2005 Series B bonds
- 2007 Series E: $325,000,000; various new construction and renovations, capital equipment and refunding of a portion of Commercial Paper Notes
- 2007 Series F: $67,620,000; partial refunding of 1999 Series A, 2003 Series E, 2004 Series D, 2005 Series A and 2005 Series B bonds
- 2008 Series J: $250,000,000; various new construction and renovations, capital equipment
- 2008 Series K: $208,805,000; refunding of 2001 Series B, 2002 Series B and 2003 Series F bonds

Rabbinical College of America

- 1985 Series D: $1,883,000; student and faculty housing

Ramapo College of New Jersey

- Series 1973 A: $1,760,000; student apartments
- Series 1973 B: $1,310,000; campus life facility
- Series 1976 C: $2,525,000; student apartments and expanded parking
- Series 1978 B: $100,000; student housing facility
- Series 1979 C: $1,325,000; campus life annex
- Series 1984 A: $7,295,000; dormitory
- Series 1986 F: $8,445,000; refunding of Series 1984 A bonds
- Series 1988 B: $8,975,000; dormitory
- Series 1988 C: $2,865,000; campus life addition
- Series 1990 A: $2,270,000; dormitory renovations
- Series 1993 D: $3,120,000; refunding of Series 1988 C bonds
- Series 1993 E: $17,870,000; dormitories
- Series 1997 A: $7,330,000; visual and performing arts center, refunding of Series 1976 C bonds
- Direct Loan Program (1997): $295,910; equipment acquisition
- Direct Loan Program (1998): $600,000; equipment acquisition
- Series 1998 G: $16,845,000; student housing facility and pavilion, refunding of Series 1990 A bonds
- Series 1998 H: $2,000,000; campus life renovations and refunding of Series 1979 C bonds
- Series 1998 I: $955,000; technology infrastructure
- Series 1999 E: $19,900,000; residence hall and equipment acquisition
- 2000 Tax-Exempt Lease: $1,695,300; computer equipment acquisition
- Series 2001 D: $40,480,000; student residence and telecommunications repairs
- Series 2001 E: $2,535,000; sustainability center and instructional equipment
- Series 2002 H: $28,655,000; Phase VII and Phase VIII housing
- Series 2002 I: $2,145,000; student union alterations, rehabilitation, renovations
- Series 2002 J: $29,620,000; athletic building addition, Havermeyer House acquisition and renovation

Historical Financings

Ramapo College of New Jersey (continued)

- Series 2003 F: $1,820,000; refunding of Series 1993 D bonds
- Series 2003 G: $9,300,000; refunding of Series 1993 E bonds
- Series 2003 H: $18,930,000; refunding of Series 1999 E bonds
- Series 2004 E: $53,980,000; student residence hall, parking garage, and other roadway and campus improvements
- Series 2006 D: $49,085,000; academic building, completion of Phase VII housing, Phase IX housing and parking garage, Sustainability Education Center, renovations
- Series 2006 I: $106,820,000; partial refunding of Series 2001 D, Series 2002 H, Series 2002 I, Series 2002 J, Series 2004 E and Series 2006 D bonds

The Richard Stockton College of New Jersey

- Series 1973 C: $1,780,000; College Center
- Series 1973 D: $5,700,000; student apartments
- Series 1980 B: $9,790,000; dormitories
- Series 1981 D: $3,860,000; College Center Annex
- Series 1985 A: $10,980,000; refunding of Series 1980 B bonds
- Series 1985 C: $4,370,000; refunding of Series 1981 D bonds
- Series 1985 F: $7,810,000; dormitories and parking expansion
- Series 1987 B: $1,000,000; convenience center
- Series 1988 A: $3,294,000; student housing renovations
- Series 1992 B: $10,600,000; refunding of Series 1985 A bonds
- Series 1992 C: $7,330,000; refunding of Series 1985 F bonds
- Series 1993 F: $6,690,000; library addition and arts and sciences building
- Series 1996 B: $1,680,000; refunding of Series 1985 C bonds
- Series 1996 F: $19,280,000; recreation center
- Series 1998 C: $13,110,000; student housing facility and commons building
- Series 2002 B: $8,340,000; refunding of Series 1992 B and Series 1992 C bonds
- Series 2005 C: $31,150,000; F-Wing and J-Wing academic building renovations, student housing renovations, office building acquisition and renovation, electrical power improvements, refunding of Series 1993 F bonds
- Series 2005 F: $28,180,000; refunding of Series 1996 F and Series 1998 C bonds
- Series 2006 F: $50,365,000; student housing, parking, energy conservation projects, land acquisition, Holocaust Resource Center and Alton Auditorium renovations, electrical upgrades
- Series 2007 G: $40,250,000; student housing, various safety and infrastructure improvements
- Series 2008 A: $136,910,000; Campus Center, College Walk renovations, site and roadway improvements, refunding of Series 2005 C bonds

Rider University

- 1971 Series A: $3,700,000; Student Union
- 1987 Series B: $21,400,000; administration building
- 1992 Series D: $31,735,000; academic buildings and refunding of 1987 Series B bonds
- 1995 Series B: $4,819,851; equipment acquisition
- 2002 Series A: $27,560,000; refunding of 1992 Series D bonds
- 2004 Series A: $14,735,000; student residence hall and recreation center
- 2007 Series C: $22,000,000; student residence facility, various renovation, construction and infrastructure improvements

Rowan University

- Series 1971 A: $1,205,000; student apartments
- Series 1974 E: $6,080,000; student union
- Series 1975 B: $580,000; Winans Dining Hall
- Series 1976 B: $2,555,000; student apartments
- Series 1979 A: $1,710,000; student housing facility
- Series 1982 D: $1,760,000; computer facility acquisition
- Series 1983 C: $10,365,000; student housing facility
- Series 1983 D: $3,500,000; student housing facility
- Series 1983 G: $3,385,000; student union renovations
- Series 1985 E: $1,545,000; refunding of Series 1982 D bonds
- Series 1986 C: $11,940,000; refunding of Series 1983 C bonds
- Series 1986 E: $3,280,000; refunding of Series 1983 G bonds
- Series 1991 A: $9,000,000; student recreation center
- Series 1993 A: $9,600,000; new library facility
- Series 1993 B: $1,765,000; refunding of Series 1976 B bonds
- Series 1993 C: $10,955,000; refunding of Series 1986 C bonds
- Series 1994 C: $6,145,000; cogeneration plant and equipment acquisition
- Series 1996 E: $40,785,000; School of Engineering and renovations
- Series 1997 B: $6,770,000; engineering building expansion and renovations
- Series 1997 C: $9,035,000; refunding of Series 1991 A bonds
- Direct Loan Program (1999): $3,000,000; equipment acquisition
- Series 2000 B: $51,620,000; science academic building
- Series 2001 B: $8,790,000; student center renovations
- Series 2001 C: $60,930,000; land acquisition, refunding of Series 1979 A, Series 1993 A, Series 1994 C, Series 1996 E bonds
- Series 2002 K: $14,920,000; various renovations, land acquisition, sub-station and boilers
- Series 2003 I: $64,910,000; land and computer acquisition, education building, apartment complex, chiller plant, Triad Apartment and Academy Street School renovations
- Series 2003 J: $4,555,000; refunding of Series 1993 B and Series 1993 C bonds
- Series 2003 K: $14,700,000; land and computer acquisition, education building, apartment complex, chiller plant, Triad Apartment and Academy Street School renovations
- Series 2004 C: $61,275,000; Academic building, townhouse complex, cogeneration plant, chiller, student center renovations, and other improvements

- Series 2005 D: $51,840,000; refunding of Series 1997 B and partial refunding of Series 2000 B bonds
- Series 2006 G: $69,405,000; various renovation projects and partial refunding of Series 2002 K and Series 2003 I bonds
- Series 2006 H: $20,000,000; apartment complex, academic building, property acquisition, various renovation projects
- Series 2007 B: $121,355,000; refunding of Series 1997 C bonds and a partial refunding of Series 2001 B, Series 2001 C, Series 2002 K, Series 2003 I and Series 2004 C bonds
- Series 2008 B: $35,205,000; debt restructuring

Rutgers, The State University

- Series 1974 A: $6,725,000; student apartments

Saint Peter's College

- 1975 Series B: $6,000,000; Recreational Life Center
- 1977 Series A: $7,290,000; refunding of 1975 Series B bonds
- 1992 Series B: $11,215,000; student housing facility
- 1998 Series B: $36,815,000; student housing facility, refunding of 1977 Series A and 1992 Series B bonds
- 1999 Tax-Exempt Lease: $663,000; equipment acquisition
- 2007 Series G: $36,053,465; partial refunding of 1998 Series B bonds and bank loans
- 2007 Series I: $3,848,461; taxable partial refunding of 1998 Series B bonds
- 2008 Series H: $5,000,000; capital improvements
- 2008 Series I: $3,728,462; conversion of 2007 Series I bonds from taxable to tax-exempt bonds

Seton Hall University

- 1976 Series A: $4,550,000; Law Center
- 1985 Series, Project A: $31,985,000; dormitory and recreation center
- 1988 Series, Project B: $23,000,000; dormitory
- 1989 Series, Project C: $53,535,000; Law School and parking garage
- 1991 Refunding Series A: $33,965,000; refunding of 1985 Series, Project A bonds
- 1991 Refunding Series B: $21,785,000; refunding of 1988 Series, Project B bonds
- 1991 Series, Project D: $28,970,000; library
- 1996 Series, Project E: $20,800,000; refunding of 1989 Series, Project C bonds
- 1998 Series, Project F: $7,620,000; refunding of 1991 Series, Project D bonds
- 1999 Series: $50,450,000; refunding of 1989 Series, Project C and 1991 Series, Project D bonds
- 2001 Refunding Series A: $22,840,000; refunding of 1991 Series A bonds
- 2001 Refunding Series B: $11,600,000; refunding of 1991 Refunding Series B bonds
- 2001 Series, Project G: $8,740,000; parking facility, additions, dormitory fire suppression project
- 2005 Series C: $57,750,000; McNulty Hall renovations for new Science and Technology Center, property acquisition for student housing, electrical substation, baseball/soccer field improvements
- 2006 Series A: $20,750,000; refunding of 1996 Series, Project E bonds
- 2008 Series D: $49,760,000; partial refunding of 2005 Series C bonds and refunding of 2006 Series A bonds
- 2008 Series E: $24,340,000; refunding of 2005 Series C bonds
- 2009 Tax-Exempt Lease: $3,371,289; acquisition of laptops
- 2009 Series C: $7,955,000; refunding of 1998 Series, Project F bonds

Stevens Institute of Technology

- 1983 Series A (Collateralized): $5,350,000; dormitory
- 1992 Series A: $18,995,000; athletic/recreation center, refunding of 1983 Series A bonds
- 1998 Series I: $17,000,000; renovations and maintenance, refunding of a portion of 1992 Series A bonds
- 2002 Series C: $59,585,000; Center for Technology Management, improvements to athletic fields
- 2004 Series B: $13,265,000; conversion of 6 brownstones to student residence halls
- 2007 Series A: $71,060,000; refunding of 2002 Series C and 2004 Series B bonds and partial refunding of 1998 Series I bonds

The College of New Jersey

- Series 1972 A: $9,270,000; dormitory and dining hall
- Series 1976 D: $5,580,000 and Series 1976 E: $1,086,000; student center
- Series 1979 B: $2,300,000; athletic and recreation center
- Series 1983 E: $2,810,000; sports fields
- Series 1983 F: $9,000,000; dormitory
- Series 1984 B: $9,110,000; gymnasium renovations
- Series 1986 D: $10,050,000; refunding of Series 1983 F bonds
- Series 1986 G: $10,400,000; refunding of Series 1984 B bonds
- Series 1989 C: $34,680,000; student residence
- Series 1992 A: $9,955,000; cogeneration plant
- Series 1992 E: $56,160,000; refunding of Series 1986 D, Series 1986 G, Series 1989 C bonds
- Series 1994 B: $24,890,000; dormitories and parking garage
- Series 1996 A: $75,185,000; academic building, nursing building, student residence, renovations
- Series 1999 A: $146,455,000; School of Business, Social Sciences Building, dormitory additions, refunding of Series 1994 B and Series 1996 A bonds
- Series 2002 C: $53,155,000; refunding of Series 1992 A and Series 1992 E bonds
- Series 2002 D: $138,550,000; library, parking garages/decks, apartments, various renovations and additions
- Series 2008 D: $287,790,000; debt restructuring

Historical Financings

Thomas Edison State College

- Direct Loan Program (1998): $1,300,000; equipment purchase
- 2005 Tax-Exempt Lease: $1,800,000; acquisition of various equipment, furniture and technology infrastructure
- 2007 Tax-Exempt Lease: $1,800,000; renovations and equipment acquisition

Union County College

- 1973 Series A: $3,635,000; library/classroom building
- Series 1989 B: $6,660,000; commons building
- Series 1991 C: $3,945,000; computer laboratories

University of Medicine and Dentistry of New Jersey

- Series 1995 B: $143,645,000; academic building
- Series 1999 C: $15,720,000; building acquisition
- Series 2009 B: $258,075,000; refunding of Series 1995 B and Series 1999 C and other outstanding debt

The William Paterson University of New Jersey

- Series 1974 C: $4,025,000; student apartments
- Series 1976 A: $5,685,000; student center
- Series 1981 A: $12,405,000 and Series 1981 B: $5,000,000; student residence
- Series 1982 E: $2,200,000; Student Center Annex
- Series 1985 B: $13,700,000; refunding of Series 1981 A bonds
- Series 1991 F: $21,605,000; dormitory; refunding of Series 1985 B bonds
- Series 1998 D: $6,575,000; partial refunding of Series 1991 F bonds
- Series 1999 D: $12,785,000; dormitory
- Series 2000 A: $26,425,000; land acquisition and academic building conversion
- Series 2002 E: $42,125,000; refunding of Series 1991 F bonds, student center renovations and addition
- Series 2004 A: $30,035,000; two dormitories and roadway construction and improvements
- Series 2005 E: $42,295,000; partial refunding of Series 1999 D, Series 2000 A and Series 2002 E bonds
- Series 2008 C: $88,670,000; addition to Science Hall, refunding of Series 1998 D bonds

Summary of State-Backed Transactions

Higher Education Equipment Leasing Fund

- Higher Education Equipment Leasing Fund, Series 1994 A: $100,000,000
- Higher Education Equipment Leasing Fund, Series 2001 A: $87,385,000
- Higher Education Equipment Leasing Fund, Series 2003 A: $12,620,000

Higher Education Facilities Trust Fund

- Higher Education Facilities Trust Fund, Series 1995 A: $220,000,000
- Higher Education Facilities Trust Fund, Series 2005 A: $90,980,000; refunding of Series 1995 A bonds

Higher Education Technology Infrastructure Fund

- Higher Education Technology Infrastructure Fund, Series 1998 A: $55,000,000

County College Capital Projects Fund

- County College Capital Projects Fund, Series 1999 A: $19,295,000

Higher Education Capital Improvement Fund

- Higher Education Capital Improvement Fund, Series 2000 A: $132,800,000
- Higher Education Capital Improvement Fund, Series 2000 B: $145,295,000
- Higher Education Capital Improvement Fund, Series 2002 A: $194,590,000
- Higher Education Capital Improvement Fund, Series 2004 A: $76,725,000
- Higher Education Capital Improvement Fund, Series 2005 A: $169,790,000; partial refunding of Series 2000 A, Series 2000 B and Series 2002 A bonds
- Higher Education Capital Improvement Fund, Series 2006 A: $155,460,000; partial refunding of Series 2000 A, Series 2000 B, Series 2002 A and Series 2004 A bonds

Dormitory Safety Trust Fund

- Dormitory Safety Trust Fund, Series 2001 A: $67,970,000
- Dormitory Safety Trust Fund, Series 2001 B: $5,800,000 (federally taxable)
- Dormitory Safety Trust Fund, Series 2003 A: $5,440,000

Public Library Grant Program

- Public Library Grant Program, Series 2002 A: $45,000,000

Other

- Floating Rate Weekly Demand Equipment & Capital Improvement Revenue Bonds, 1985 Series A: $50,000,000

Designed by Creative Source, Inc.

Financial Statements
and Supplemental Financial Information

NJEFA is pleased to include and incorporate its audited 2009 Financial Statements and Supplemental Financial Information in this 2009 Annual Report on CD-Rom. This format represents our continued commitment to cost-efficient and environmentally responsible business practices.

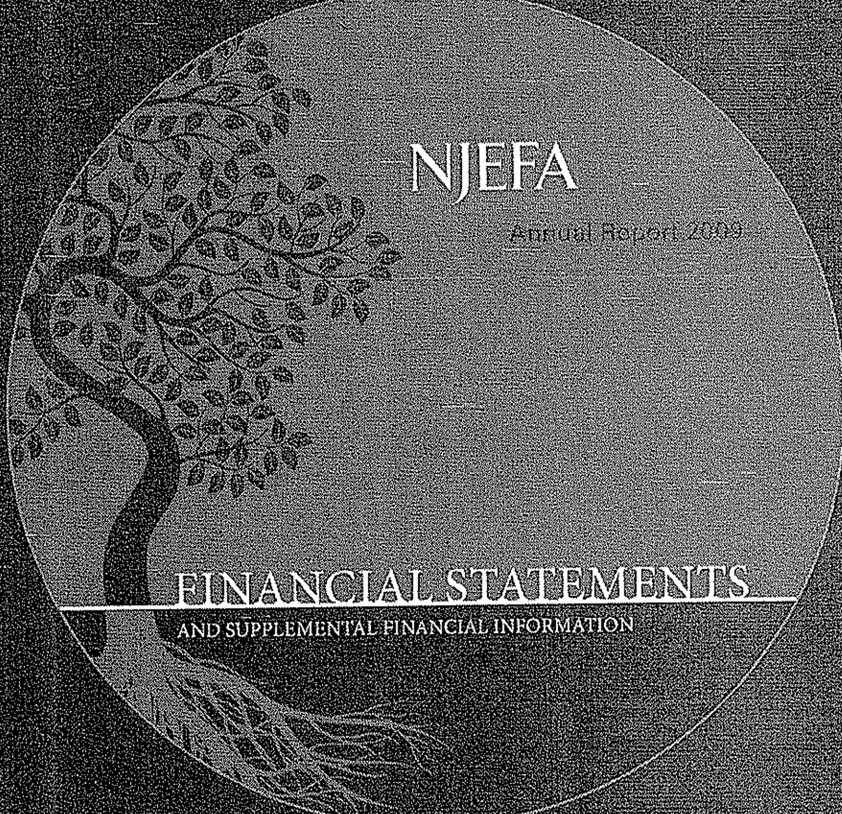
Certification Pursuant to Executive Order No. 37

The New Jersey Educational Facilities Authority's 2009 Annual Report serves as the comprehensive annual report of the Authority's operations and finances in accordance with Executive Order No. 37.

Pursuant to Executive Order No. 37, I, Mary Jane Darby, certify that during 2009, the Authority has, to the best of my knowledge, followed all of the Authority's standards, procedures and internal controls.

Mary Jane Darby
Acting Executive Director

August 30, 2010



This annual report and the Authority's financial statements are available on our website, **www.njefa.com**.

NJEFA

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

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NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
building futures

103 COLLEGE ROAD EAST · PRINCETON, NEW JERSEY 08540-6612
PHONE 609-987-0880 · FAX 609-987-0850 · www.njefa.com

TERM SHEET

Borrower:	Seton Hall University, South Orange, New Jersey
Issue:	2008 Series D
Amount:	$49,760,000 original principal amount currently outstanding in the amount of $48,850,000
Purpose:	To replace the original letter of credit issued by Allied Irish Banks, plc with a replacement letter of credit issued by TD Bank, NA with respect to the Authority's outstanding 2008 Series D Bonds issued on behalf of Seton Hall University.
Security:	General Obligation of the University
Structure:	Variable Rate Demand Obligations (Weekly Mode), Remarketing
Term:	July 1, 2037
Expected Bond Ratings:	Aaa / VMIG1 / A3 - Moody's Investors Service AAA / A-1 / A - Standard & Poor's Rating Services

The Authority Members will be asked to adopt a resolution authorizing the replacement of the existing letter of credit facility with respect to the 2008 Series D Bonds issued on behalf of Seton Hall University; authorizing and approving the form of the remarketing memorandum; and delegating to any Authorized Officer the ability to take all actions as may be necessary to finalize the remarketing.

Professionals on the Transaction:

Bond Counsel:	Wilentz, Goldman & Spitzer, PA
Authority's Counsel:	Attorney General of New Jersey
Borrower's Counsel:	Connell, Foley & Geiser LLP
Remarketing Agent:	Citigroup Global Markets Inc.
Remarketing Agent's Counsel:	McElroy, Deutsch, Mulvaney & Carpenter, LLP
Letter of Credit Bank:	TD Bank, NA
Bank Counsel:	Hill Wallack, LLP
Trustee:	The Bank of New York Mellon
Trustee's Counsel:	McManimon & Scotland, LLC

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

RESOLUTION AUTHORIZING ACTIONS IN CONNECTION WITH THE REPLACEMENT OF THE CREDIT FACILITY IN EFFECT WITH RESPECT TO THE OUTSTANDING NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY REVENUE REFUNDING BONDS, SETON HALL UNIVERSITY ISSUE, 2008 SERIES D AND OTHER MATTERS IN CONNECTION THEREWITH

Adopted: September 17, 2010

RESOLUTION AUTHORIZING ACTIONS IN CONNECTION WITH THE REPLACEMENT OF THE CREDIT FACILITY IN EFFECT WITH RESPECT TO THE OUTSTANDING NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY REVENUE REFUNDING BONDS, SETON HALL UNIVERSITY ISSUE, 2008 SERIES D AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the New Jersey Educational Facilities Authority (the "Authority") was created as a public body corporate and politic of the State of New Jersey pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), *N.J.S.A.* 18A:72A-l *et seq.* (the "Act"); and

WHEREAS, in 2005, the Authority issued its Revenue Bonds, Seton Hall University Issue, 2005 Series C (the "2005 Bonds") on behalf of Seton Hall University (the "University") to enable the University to undertake a project (the "2005 Series C Project") consisting of the following: (i) the construction, renovation and expansion of McNulty Hall to provide for a new Science and Technology Center, (ii) the reimbursement to the University for funds expended to acquire real property located at 384 Turrell Avenue, South Orange, New Jersey and the payment of the renovation of said property to provide for student housing, (iii) the acquisition, construction and installation of a new campus electrical substation, (iv) the acquisition and installation of two new main boilers and (v) the acquisition and installation of artificial turf and improvements to the University's baseball/soccer field; and

WHEREAS, in 2006, the Authority issued its Revenue Refunding Bonds, Seton Hall University Issue, 2006 Series A (the "2006 Bonds") on behalf of the University in order to refund the Authority's outstanding Revenue Refunding Bonds, 1996 Series, Project E; and

WHEREAS, in 2008, the Authority issued its Revenue Refunding Bonds, Seton Hall University Issue, 2008 Series D (the "2008 D Bonds") on behalf of the University in order to refund the outstanding 2006 Bonds and a portion of the outstanding 2005 Bonds; and

WHEREAS, the remainder of the 2005 Bonds, which were not refunded by the 2008 D Bonds, were refunded through a series of bonds of the Authority issued simultaneously with the 2008 D Bonds entitled Revenue Refunding Bonds, Seton Hall University Issue, 2008 Series E; and

WHEREAS, the 2008 D Bonds were issued as variable rate demand obligations pursuant to the Trust Indenture dated as of December 1, 2008 by and between the Authority and The Bank of New York Mellon, as Trustee (the "Indenture") and a credit facility for the 2008 D Bonds was provided through a direct-pay letter of credit (the "Original Letter of Credit") issued by Allied Irish Banks, p.l.c. ("AIB"); and

WHEREAS, as a result of the downgrade of AIB by Moody's Investors Service and Standard & Poor's in 2009 and 2010, the 2008 D Bonds are being remarketed at higher interest rates; and

WHEREAS, the University and the Authority desire to reduce the interest costs; and

WHEREAS, the University Board of Regents has determined to accomplish this reduction in interest costs through the termination of the Original Letter of Credit and the replacement thereof with a new letter of credit (the "Replacement Letter of Credit") to be issued by TD Bank, N.A. ("TD Bank"); and

WHEREAS, the University Board of Regents has authorized any and all action necessary to accomplish the replacement of the Original Letter of Credit with the Replacement Letter of Credit; and

WHEREAS, the Authority, at the request of the University, now seeks to authorize any and all actions required by the Authority to accomplish the termination of the Original Letter of Credit and the replacement thereof with the Replacement Letter of Credit.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:

1. Authorization and Execution of Documents

The Authority hereby authorizes and directs the Chair, Vice-Chair, Treasurer, Executive Director, Deputy Executive Director, Secretary, any Assistant Secretary, Director of Project Management and any other person authorized by resolution of the Authority, and any of such officers designated as "acting" or "interim" (each an "Authorized Officer") to approve the forms of and to execute and deliver all documents necessary to enable the Authority, as permitted by the Act, to accomplish the replacement of the Original Letter of Credit with the Replacement Letter of Credit including but not limited to any and all necessary amendments to the Loan Agreement dated as of December 1, 2008 between the Authority and the University, the Trust Indenture, the Mortgage and Security Agreement dated as of December 1, 2008 from the University to AIB and the Authority (the "Mortgage and Security Agreement"), the Remarketing Agreement dated December 11, 2008 by and among the Authority, the University and Citigroup Global Markets, Inc., as remarketing agent, the Continuing Disclosure Agreement dated as of December 1, 2008 by and between the University and The Bank of New York Mellon, and other documents originally executed in connection with the issuance of the 2008 D Bonds and an assignment of the Mortgage and Security Agreement by AIB to TD Bank, as issuer of the Replacement Letter of Credit (the "Assignment") or in lieu of an amendment to the Mortgage and Security Agreement and the Assignment, a new mortgage and security agreement to the Authority and TD Bank, substantially in the form of the Mortgage and Security Agreement with such changes as required by TD Bank and agreed to by the University and any Authorized Officer upon consultation with Bond Counsel and the Attorney General's Office. Execution and delivery by an Authorized Officer of the foregoing documents shall be conclusive evidence of the approval thereof.

2. Approval of Remarketing Memorandum.

The Authority hereby authorizes the preparation, publication and distribution of a remarketing memorandum relating to the remarketing of the 2008 D Bonds with the Replacement

Letter of Credit in substantially the form presented at this meeting and filed with records of the Authority (the "Remarketing Memorandum"), with such insertions, deletions and changes therein and any supplements thereto as Bond Counsel and the Attorney General of the State may advise and an Authorized Officer may approve. Any Authorized Officer is hereby authorized to approve the contents and the form of the Remarketing Memorandum in respect of the 2008 D Bonds in substantially the form of the Remarketing Memorandum presented at this meeting with such changes as are approved by the Authorized Officer executing the same. Any Authorized Officer is hereby authorized to sign such Remarketing Memorandum on behalf of the Authority, such signature to be conclusive evidence of the approval thereof.

3. Incidental Action.

Any Authorized Officer is hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take any and all action the Authorized Officer deems necessary or appropriate in order to effectuate the termination of the Original Letter of Credit and the execution and delivery of the Replacement Letter of Credit and to implement the remarketing of the 2008 D Bonds.

4. Prior Resolutions.

All prior resolutions of the Authority or portions thereof inconsistent herewith are hereby repealed.

5. Effective Date.

This Resolution shall take effect in accordance with the Act.

____Mr. Petrecca___ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ___ Mr. Hutchinson___ and upon roll call the following members voted:

AYE: Roger B. Jacobs
Ridgeley Hutchinson
Joshua Hodes
Andrew Sidamon-Eristoff (represented by Steven Petrecca)

NAY: None

ABSTAIN: None

ABSENT: Steven D. Weinstein

The Chair thereupon declared said motion carried and said resolution adopted.

REMARKETING MEMORANDUM

REMARKETING – NOT A NEW ISSUE

RATINGS: Moody's: "___/___"
S&P: "___/___"
(See "RATINGS" in Part I herein.)

$48,850,000
(of the original principal amount of $49,760,000)
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
REVENUE REFUNDING BONDS,
SETON HALL UNIVERSITY ISSUE, 2008 SERIES D
CUSIP: 646065WZ1

Original Issue Date: December 11, 2008

Remarketing Date: November __, 2010
Final Maturity: July 1, 2037
Price: 100%

On December 11, 2008, the New Jersey Educational Facilities Authority (the "*Authority*") issued its $49,760,000 Revenue Refunding Bonds, Seton Hall University Issue, 2008 Series D (the "*Bonds*"), pursuant to a Trust Indenture, dated as of December 1, 2008 (the "*Indenture*"), by and between the Authority and The Bank of New York Mellon (the "*Trustee*"). The Bonds are currently outstanding in the aggregate principal amount of $48,850,000. The net proceeds of the Bonds were loaned to The Board of Regents of Seton Hall University (the "*University*") to refinance the costs of certain educational facilities located in Newark and South Orange, New Jersey, and to finance certain costs associated with the issuance of the Bonds. The Bonds were secured by an irrevocable, direct-pay letter of credit (the "*Original Credit Facility*") issued by Allied Irish Banks, p.l.c., acting through its New York Branch, which expires on December 11, 2011. Effective on November __, 2010, the Bonds will be secured by an irrevocable, direct-pay letter of credit (the "*Alternate Credit Facility*") issued by TD Bank, N.A. (the "*Bank*"), which Alternate Credit Facility replaces the Original Credit Facility. The Alternate Credit Facility will expire on November __, 2015, unless earlier terminated or extended in accordance with its terms.

TD BANK, N.A.

The Alternate Credit Facility will provide for the payment of the purchase price of the Bonds, plus an amount equal to fifty-two (52) days' interest on the Bonds outstanding (computed at a rate of twelve percent (12%) per annum), to the extent that moneys are not otherwise available therefor under the terms of the Indenture.

The Bonds will bear interest at the Weekly Interest Rate, which will be adjusted weekly by the Remarketing Agent, initially, Citigroup Global Markets Inc., unless and until the University converts the interest rate to a different interest rate determination method. Interest will be payable on the first Business Day (as defined in the Indenture) of each month, commencing December 1, 2010, while the Bonds bear interest at the Weekly Interest Rate. The interest rate established on the Bonds in connection with the remarketing on November __, 2010 will be effective through and including November __, 2010.

This Remarketing Memorandum is intended for use with respect to the Bonds **only** when the Bonds bear interest at the Weekly Interest Rate.

The Bonds have been issued only as fully registered bonds, without coupons, in denominations of $100,000 or any integral multiple of $5,000 in excess thereof while in the Weekly Interest Rate Period, and are currently registered in the name of Cede & Co. as sole registered holder of the Bonds and nominee for The Depository Trust Company ("*DTC*"), New York, New York. Purchases of the Bonds will be made in book-entry form only, and purchasers will not receive certificates representing their ownership interest in the Bonds so purchased. See **"THE 2008 SERIES D BONDS – Book-Entry-Only System"** in Part II of this Remarketing Memorandum.

The Bonds are subject to optional and mandatory redemption, and optional and mandatory tender and acceleration, as set forth herein. See **"THE 2008 SERIES D BONDS"** in Part II of this Remarketing Memorandum.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY, AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE), OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE). THE AUTHORITY HAS NO TAXING POWER.

Upon remarketing, it is expected that the Bonds will be available for delivery through the facilities of DTC on or about November __, 2010, against payment therefor.

CITIGROUP GLOBAL MARKETS INC.,
As Remarketing Agent

The date of this Remarketing Memorandum is October __, 2010.

REGARDING USE OF THIS REMARKETING MEMORANDUM

This Remarketing Memorandum does not constitute a remarketing of any security, other than the remarketing of the New Jersey Educational Facilities Authority Revenue Refunding Bonds, Seton Hall University Issue, 2008 Series D, specifically remarketed hereby. No dealer, broker, salesman or other person has been authorized to give any information or to make any representation with respect to the Bonds other than those contained in this Remarketing Memorandum and, if so given or made, such other information or representation not so authorized must not be relied upon as having been authorized. This Remarketing Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information and descriptions in this Remarketing Memorandum do not purport to be comprehensive or definitive. Statements regarding specific documents (including, without limitation, the Bonds, the Indenture, the Alternate Credit Facility and the Reimbursement Agreement), instruments and statutes are descriptions of selected provisions of (and are subject to the detailed provisions of) such documents, instruments and statutes, respectively, and are qualified in their entirety by reference to the full text of each such document, instrument or statute. Copies of all documents referenced in this Remarketing Memorandum will be on file with the Trustee and will be furnished upon request. This Remarketing Memorandum has been approved by the Authority and the University, and its use and distribution for the purposes set forth above have been authorized by the Authority and the University. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Remarketing Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority, the University or the Bank since the date hereof.

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This Remarketing Memorandum consists of the information in both Part I and Part II hereof, all of which should be read prior to an investment in the Bonds.

REMARKETING MEMORANDUM
relating to
$48,850,000
(of the original principal amount of $49,760,000)
New Jersey Educational Facilities Authority
Revenue Refunding Bonds,
Seton Hall University Issue, 2008 Series D

INTRODUCTION

The purpose of this Remarketing Memorandum is to provide certain information with respect to matters pertaining to the remarketing on November __, 2010 of the New Jersey Educational Facilities Authority Revenue Refunding Bonds, Seton Hall University Issue, 2008 Series D (the "*Bonds*"). The Bonds were issued pursuant to a Trust Indenture, dated as of December 1, 2008 (the "*Indenture*"), by and between the New Jersey Educational Facilities Authority (the "*Authority*") and The Bank of New York Mellon (the "*Trustee*"). The Bonds are currently outstanding in the aggregate principal amount of $48,850,000. Unless otherwise indicated, capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Indenture.

The Bonds are being remarketed following a mandatory tender for purchase of the Bonds in connection with the substitution and delivery of an irrevocable, direct-pay letter of credit (the "*Alternate Credit Facility*") for the Bonds issued by TD Bank, N.A. (the "*Bank*"). The Alternate Credit Facility will provide for the payment of the purchase price of the Bonds, plus an amount equal to fifty-two (52) days' interest on the Bonds outstanding (computed at a rate of twelve percent (12%) per annum), to the extent that moneys are not otherwise available therefor under the terms of the Indenture.

This Remarketing Memorandum consists of two parts, both of which should be read in connection with any proposed purchase of the Bonds. Part I consists of certain information concerning the University, certain information concerning the Bank, in its capacity as provider of the Alternate Credit Facility, and certain other information. Part II consists of the Official Statement relating to the original issuance of the Bonds, dated December 2, 2008 (the "*Official Statement*"), the information in parts of which has been amended, supplemented and/or superseded by Part I of this Remarketing Memorandum.

This Remarketing Memorandum is intended for use with respect to the Bonds **only** when the Bonds bear interest at the Weekly Interest Rate.

In the opinion of Wilentz, Goldman & Spitzer, P.A., Bond Counsel to the Authority, the delivery and acceptance of the Alternate Credit Facility will not adversely affect the exclusion of interest on any of the Bonds from gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended. Such opinion, however, is not a new approving opinion nor is it an affirmation of the original approving opinion delivered on December 11, 2008. See **"OPINION OF COUNSEL"** in Part I of this Remarketing Memorandum.

The Bonds are subject to acceleration of maturity upon the occurrence of a default by the University under the Letter of Credit Reimbursement Agreement, dated as of November __, 2010 (the "*Reimbursement Agreement*"), by and between the University and the Bank; however, prospective investors will not be able to evaluate the likelihood of a default by the University under the Reimbursement Agreement. See **"THE REIMBURSEMENT AGREEMENT"** in Part I of this Remarketing Memorandum.

Each prospective investor in the Bonds should carefully review the information contained in this Remarketing Memorandum prior to any such investment. The information contained herein has been obtained from the University, the Bank and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Authority or by Citigroup Global Markets Inc. (the "*Remarketing Agent*").

PART I

The information relating to the Bonds contained in this Part I of this Remarketing Memorandum should be read in conjunction with the information contained in the Official Statement, which is contained in Part II hereof. Both Part I and Part II contain important information concerning the Bonds and the security therefor. The information in this Part I amends, supersedes and/or supplements the information contained in Part II in a number of material respects. The Authority assumes no responsibility for nor makes any representations concerning the accuracy of the information appearing in this Remarketing Memorandum.

THE UNIVERSITY

THE INFORMATION UNDER THIS HEADING HAS BEEN SUPPLIED BY THE UNIVERSITY, AND THE AUTHORITY DOES NOT MAKE ANY REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS.

The University is an independent institution operating under the auspices of the Roman Catholic Archdiocese of Newark. It is the largest and oldest diocesan university in the United States of America, and is the largest Roman Catholic university in the State of New Jersey. The University is a not-for-profit corporation organized under the laws of the State of New Jersey and was founded in 1856. The Internal Revenue Service has determined that the University is an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

For more information about the University, see Appendix A to this Part I entitled, **"CERTAIN INFORMATION CONCERNING THE UNIVERSITY"** and Appendix B to this Part I entitled, **"FINANCIAL STATEMENTS OF THE UNIVERSITY"**.

INTEREST RATE ON THE BONDS

The information contained in this section entitled, **"INTEREST RATE ON THE BONDS"** should be read in conjunction with the information concerning the Bonds appearing in the Official Statement in Part II of this Remarketing Memorandum under the caption **"THE 2008 SERIES D BONDS"**. The information in this section is intended to update certain information concerning the interest rate on the Bonds and is not intended to provide a complete description of the other terms of the Bonds. Prospective purchasers of the Bonds should read the information contained in Part II hereof under the caption **"THE 2008 SERIES D BONDS"** for further information concerning the Bonds, including, but not limited to, mandatory tender, redemption and payment terms. The interest rate established on the Bonds in connection with the remarketing on November __, 2010 will be effective through and including November __, 2010.

The interest rate on the Bonds will be the Weekly Interest Rate, unless and until the University converts the interest rate on the Bonds to a different Interest Rate Period, as set forth in the Indenture. Following the remarketing of the Bonds, interest on the Bonds will be paid on the first Business Day of each month, commencing December 1, 2010.

THE BANK

The Bank is the provider of the Alternate Credit Facility. Certain information concerning the Bank, including certain financial information, has been furnished by the Bank and is contained in Appendix C to this Part I. Neither the Authority nor the University makes any representation or warranty as to the accuracy or completeness thereof. The Bank is only responsible for information furnished concerning the Bank and the Alternate Credit Facility, including the information contained in Appendix C, and is not responsible for and does not certify as to the accuracy or sufficiency of the disclosures made herein or any other information provided by the Authority, the University, the Remarketing Agent or any other person. See **"APPENDIX C – CERTAIN INFORMATION CONCERNING THE BANK"** in Part I of this Remarketing Memorandum.

THE ALTERNATE CREDIT FACILITY

The following is a discussion of certain material features of the Alternate Credit Facility. The discussion does not purport to be complete and is subject in all respects to the provisions of, and is qualified in its entirety by reference to, the Alternate Credit Facility.

The Alternate Credit Facility will be issued by the Bank. The Alternate Credit Facility irrevocably authorizes draws in accordance with its terms in an aggregate amount equal to the then applicable stated amount set forth in the Alternate Credit Facility (except as the stated amount of the Alternate Credit Facility may be reduced by certain drawings thereunder, unless reinstated as provided for therein).

After a drawing under the Alternate Credit Facility for the purchase price of the Bonds upon an optional or mandatory tender of the Bonds, the stated amount of the Alternate Credit Facility shall be reinstated only upon reimbursement to the Bank in an amount equal to the amount of such drawing. With respect to a drawing for interest payable on an Interest Payment Date as a scheduled periodic payment of interest on the Bonds, the stated amount of the Alternate Credit Facility will be automatically reinstated by the amount of such drawing on the tenth (10th) calendar day following the date of presentment of such drawing if the Trustee shall not have received, prior to the ninth (9th) calendar day following the date of presentment of such drawing, notice from the Bank to the effect that the interest component of the Alternate Credit Facility will not be reinstated. The stated amount of the Alternate Credit Facility shall not be reinstated for any drawing made with respect to a redemption of the Bonds.

The Alternate Credit Facility shall initially expire on November __, 2015, and shall thereafter be subject to extension in accordance with the terms of the Reimbursement Agreement at the sole and absolute discretion of the Bank.

A substantially final form of the Alternate Credit Facility is attached hereto as Appendix D to this Part I.

THE REIMBURSEMENT AGREEMENT

The following is a summary of certain provisions of the Reimbursement Agreement to which reference is made for the complete provisions thereof. All terms used in this summary and not defined in this Remarketing Memorandum shall have the respective meanings ascribed to such terms in the Reimbursement Agreement.

The occurrence of any of the following events shall constitute an Event of Default under the Reimbursement Agreement:

(a) failure by the University to reimburse or pay the Bank for any Drawing under the Alternate Credit Facility on the date when due, or to pay any other amount payable pursuant to the Reimbursement Agreement, any Collateral Document, any other agreement, undertaking or instrument benefiting the Bank or under any Bond Document on the date when due; or

(b) failure by the University to observe or perform any of the covenants set forth on Schedule III attached to the Reimbursement Agreement or the covenants set forth in Section 6.1(c), (f), (i), (r), (s), (u) or (v) of the Reimbursement Agreement; or

(c) failure by the University to observe or perform any other term, condition, covenant or agreement set forth in the Reimbursement Agreement or the other Collateral Documents to be observed or performed by the University (and not constituting an Event of Default under any of the preceding or following provisions of this summary) and such failure continues for a period of thirty (30) or more days after (i) written notice thereof to the University from the Bank or (ii) the Bank is notified of such failure, or should have been notified of such failure by the University, pursuant to the terms of the Reimbursement Agreement or any Collateral Document; or

(d) any representation, warranty or statement made or deemed made by or on behalf of the University in the Reimbursement Agreement or the other Collateral Documents or that is contained in any certificate, document or financial or other statement furnished at any time under or in connection with the Reimbursement Agreement or any Collateral Document shall prove to have been materially misleading or incorrect in any material respect when made or deemed made; or

(e) any provision of the Reimbursement Agreement shall for any reason cease to be valid and binding on the University or in full force and effect or the University or any other Person shall so assert in writing; or

(f) the University shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator or other similar official of itself or of all or a substantial part of its Property, (ii) admit in writing its inability, or be generally unable, to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) commence a voluntary case, proceeding or other action under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seek to have an order of relief entered with respect to it or seek to adjudicate it a bankrupt or insolvent, or seek reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to its debts, or (vi) take any corporate action for the purpose of effecting any of the foregoing; or

(g) a case, proceeding or other action shall be commenced without the application or consent of the University, in any court of competent jurisdiction, seeking the liquidation or readjustment of debts, the appointment of a trustee, receiver, custodian, liquidator or the like of the University, or of all or any substantial part of its assets, or any similar action with respect to the University, under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors and such case, proceeding or other action shall continue undismissed, or unstayed and in effect, for a period of sixty (60) days, or an order for relief against the University shall be entered in any such involuntary case, proceeding or other action or the University shall take any action in furtherance of, or indicating its consent to, approval of or acquiescence in any of the actions described above; or

(h) unless waived by the Bank, in writing, (i) any Event of Default, however defined, shall have occurred and be continuing under any Collateral Document or with respect to any obligation of the University under any Bond Document, or (ii) the University fails to comply with any covenant or financial obligation set forth in the Collateral Documents or the Bond Documents, or (iii) any representation or warranty made or deemed made by the University in the Collateral Documents or the Bond Documents or that is contained in any exhibit, schedule or any other document or other statement furnished at any time under or in connection with the Collateral Documents, the Bond Documents or any of the other documents, instruments or certificates furnished by the University in connection therewith shall prove to have been incorrect in any material respect on or as of the date made or deemed made; or

(i) a final judgment for an amount not otherwise covered by insurance or otherwise covered by a bond or reserved for by the University, in excess of $1,000,000 (which the Bank determines not to be covered by insurance or as to which the insurer has given notice of a denial of coverage or is not covered by a bond or reserved for by the University) is rendered against the University and, within ten (10) days after entry thereof, such judgment has not been discharged or execution thereof stayed pending appeal or if, within ten (10) days after the expiration of any such stay, such judgment has not been discharged; or

(j) at any time any Liabilities in an amount in excess of $5,000,000, other than the Liabilities created under the Reimbursement Agreement, of the University are not paid when due (whether at original maturity or as a result of acceleration by reason of the happening of an event of default, howsoever described, unless such event of default has been unconditionally waived for no consideration) and any originally stated applicable period of grace in respect thereof shall have expired, except in the event that the event of default has been objected to by the University before a court with jurisdiction to hear or determine the validity of such dispute, and the University shall present a bond in an amount reasonably satisfactory to the Bank to cover any such liabilities; or

(k) any of the following events occurs or exists with respect to either the University or any ERISA Affiliate: (i) any Prohibited Transaction involving any Plan; (ii) any Reportable Event with respect to any Plan; (iii) the filing under Section 4041 of ERISA of a notice of intent to terminate any Plan or the termination of any Plan; (iv) any event or circumstance that might constitute grounds entitling the PBGC to institute proceedings under Section 4042 of ERISA for the termination of, or for the appointment of a trustee to administer, any Plan, or the institution by the PBGC of any such proceedings; or (v) complete or partial withdrawal under Section 4201 or 4202 of ERISA from a Multi-employer Plan or the reorganization, insolvency or termination of any Multi-employer Plan; and in each case above, such event or condition, together with all other events or conditions, if any, could in the opinion of the Bank subject the University to any tax, penalty or other liability to a Plan, a Multi-employer Plan, the PBGC or otherwise (or any combination thereof) that in the aggregate would have a Material Adverse Effect; or

(l) the University ceases or threatens to cease to carry on the business it carries on at the date of the Reimbursement Agreement or any substantial part thereof; or

(m) any event occurs that has a Material Adverse Effect; or

(n) any Liens created by any of the Collateral Documents shall for any reason cease to be valid, perfected security interests or mortgage Liens of the required priority in favor of the Bank (except with respect to Financing Statements that have lapsed because the Bank has failed to file a continuation statement on time; *provided, however*, that, as to the Lien of the Mortgage securing advances, payments of any Drawing or Bond proceed Disbursements made or approved by the Bank, so long as the Bank shall have made an advance, paid a Drawing or approved a Disbursement of Bond proceeds pursuant to a request of the University or the Trustee, the loss of priority for the Mortgage Lien securing such advance, Drawing or Disbursement of Bond proceeds to one or more intervening Liens shall not cause such intervening Liens to be deemed a permitted Lien or encumbrance even if such intervening Liens were known to the Bank at the time of the advance or approval of Disbursement); or

(o) an "Event of Default" occurs under the Indenture (as such term is defined in the Indenture) or a default or event of default otherwise occurs under any other Bond Document (subject to any applicable notice and cure provisions contained in such Bond Document); or

(p) any default or event of default, or event, condition or occurrence that with notice or the lapse of time, or both, would constitute a default or event of default, by any party thereto under any indenture, mortgage, deed of trust, agreement or other instrument or contractual obligation to which the University is a party or by which any of its Property may be bound or affected, which in the reasonable opinion of the Bank has or is likely to have a Material Adverse Effect; or

(q) an Environmental Event shall have occurred that in the reasonable opinion of the Bank has or is likely to have a Material Adverse Effect;

then, upon the occurrence of (A) any event specified in subsection (f) or (g) above: (i) automatically all amounts due under the Reimbursement Agreement in respect of Drawings made or available to be made under the Alternate Credit Facility or otherwise including the amount of any taxes, fees, charges or other costs and expenses incurred by the Bank in connection with any payment made by the Bank under or with respect to the Alternate Credit Facility, including, without limitation, any fees set forth in Section 2.5(c) of the Reimbursement Agreement, shall immediately become due and payable, without the giving of notice of any kind; and (ii) the Bank shall proceed to enforce all other remedies available to it under applicable law, and (B) any Event of Default (other than any event specified in subsection (f) or (g) above), the Bank, at its election, may: (i) declare all amounts due under the Reimbursement Agreement in respect of Drawings made under the Alternate Credit Facility or otherwise to be immediately due and payable, whereupon the same shall immediately become due and payable; (ii) request in writing that the Trustee in accordance with the Indenture accelerate the Bonds or declare the principal of and interest on the Bonds to be due and payable; (iii) request in writing that the Trustee, in accordance with the Indenture, call a mandatory tender of the Bonds; (iv) require the University to deposit cash and/or securities with the Bank in an amount satisfactory to the Bank; and/or (v) proceed to enforce all other remedies available to it under the Collateral Documents, the Bond Documents and applicable law. Except as expressly provided in the Reimbursement Agreement, presentment, demand, protest and all other notices of any kind are hereby expressly waived by the University. In the event that any amount is deposited with the Bank pursuant to clause (B)(iv) above, the yield on such amount shall not exceed the yield on the Bonds, computed in accordance with Treasury Regulation §1.148, unless the University and the Bank receive an opinion of nationally recognized bond counsel selected by the University and satisfactory to the Bank that the investment of such amount at a higher yield will not affect adversely the exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

RATINGS

Moody's Investors Service, Inc. ("*Moody's*") and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("*S&P*"), have assigned (i) short-term municipal ratings for the Bonds of "___" and "___", respectively, based solely upon the issuance of the Alternate Credit Facility by the Bank, and (ii) long-term municipal ratings for the Bonds of "___" and "___", respectively, based jointly upon the long-term underlying municipal ratings of the Bonds and the support provided by the Alternate Credit Facility issued by the Bank. The long-term underlying municipal ratings assigned to the Bonds by Moody's and S&P are "___" and "___", respectively. The ratings for the Bonds will expire on the termination date of the Alternate Credit Facility, unless such ratings are withdrawn, reduced or extended prior to such termination date. An explanation of the significance of such ratings may be obtained from Moody's at 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, and from S&P at 55 Water Street, New York, New York 10041.

Such ratings reflect only the views of each rating agency at the time such ratings were given, and the Authority and the Remarketing Agent make no representations as to the appropriateness of such ratings. An explanation of the significance of such ratings can only be obtained from the rating agency furnishing the same. There is no assurance that a particular rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in the judgment of Moody's or S&P, as the case may be, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. The ratings are not a recommendation to buy or sell the Bonds, and are not a comment as to the suitability of the Bonds for any investor.

REMARKETING

The Remarketing Agent will continue to serve as Remarketing Agent for the Bonds pursuant to the terms of a Remarketing Agreement, dated as of December 11, 2008 (the "*Remarketing Agreement*"), by and among the Authority, the University and the Remarketing Agent. The obligation of the Remarketing Agent to remarket the Bonds is subject to certain terms and conditions set forth in the Remarketing Agreement.

OPINION OF COUNSEL

On the date of the remarketing of the Bonds, Wilentz, Goldman & Spitzer, P.A., Bond Counsel to the Authority, will render an opinion in accordance with the provisions of the Indenture, a form of which is included as Appendix E to this Part I, which opinion shall state that the delivery and acceptance of the Alternate Credit Facility is authorized under the Indenture and complies with the terms thereof; and in and of itself, will not adversely affect the exclusion of interest on any of the Bonds from gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended. Such opinion, however, is not a new approving opinion nor is it an affirmation of the original approving opinion delivered on December 11, 2008. Bond Counsel has not performed an audit or other examination as to the current tax status of interest on the Bonds.

INDEPENDENT AUDITORS

The financial statements of the University as of June 30, 2009 and 2008 and for the years then ended, included as Appendix B to this Part I entitled, **"FINANCIAL STATEMENTS OF THE UNIVERSITY"**, have been audited by Grant Thornton LLP, independent auditors, as stated in their report appearing therein.

The execution and delivery of this Remarketing Memorandum have been duly authorized by the Authority.

NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY

By: /s/ Mary Jane Darby
Mary Jane Darby
Acting Executive Director

APPROVED BY:

THE BOARD OF REGENTS OF
SETON HALL UNIVERSITY

By: /s/ Dennis J. Garbini
Dennis J. Garbini
Vice President for Finance
and Technology

APPENDIX A

CERTAIN INFORMATION CONCERNING THE UNIVERSITY

APPENDIX B

FINANCIAL STATEMENTS OF THE UNIVERSITY

APPENDIX C

CERTAIN INFORMATION CONCERNING THE BANK

[To be supplied by TD Bank]

APPENDIX D

FORM OF ALTERNATE CREDIT FACILITY

[To be supplied by TD Bank]

APPENDIX E

FORM OF BOND COUNSEL OPINION

[To be supplied by Bond Counsel]

PART II

There follows in this Part II of this Remarketing Memorandum the original Official Statement, dated December 2, 2008, relating to the Bonds. The information in this Part II has been amended, superseded and/or supplemented in several material respects by the information appearing in Part I of this Remarketing Memorandum. The information contained in this Part II should be read in conjunction with the information contained in Part I.

The Bonds are subject to acceleration of maturity upon the occurrence of a default by the University under the Reimbursement Agreement; however, prospective investors will not be able to evaluate the likelihood of a default by the University under the Reimbursement Agreement. See **"THE REIMBURSEMENT AGREEMENT"** in Part I of this Remarketing Memorandum.