

NOTICE OF PROPOSED FINANCING
BY THE CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

NOTICE IS HEREBY GIVEN that on June 29, 2011 at 10:00a.m., the California Educational Facilities Authority (the "Authority") will hold a public hearing, as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), with respect to the proposed issuance and sale of revenue bonds on behalf of Chapman University (the "Borrower"), in one or more series, in an aggregate principal amount not to exceed \$100,000,000 (collectively, the "Bonds"). The Borrower is an organization described in Section 501(c)(3) of the Code.

The proceeds of the Bonds will be loaned to the Borrower, in accordance with a plan of finance, for the purpose of: (1) financing (A) the costs of the construction, expansion, demolition, improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of educational facilities including, but not limited to, the (a) Filmmakers" Village, which will generally consist of: (i) a three building residence hall with up to 397 beds in 96 units, (ii) a commissary building, which will consist of a 250-seat food service/restaurant, meeting spaces, recreational facilities and other support uses, (iii) a parking garage with approximately 358 parking spaces and (iv) infrastructure improvements relating thereto, the address of which is currently 220-296 North Cypress Street, Orange, California 92866 which is bounded generally by West Palm Avenue to the north, North Cypress Street to the east, West Maple Avenue to the south and the Orange County Transportation Authority Metrolink Railroad to the west in the City of Orange, (b) Historic Core Classroom Building project, which will generally consist of an academic building with classrooms, seminar rooms, offices, gathering, storage and outdoor seating areas, landscaping, other support uses and infrastructure improvements relating thereto, the address of which is One University Drive and bounded generally by East Everett Place to the north, North Shaffer Street to the east, East Palm Avenue to the south and North Glassell Street to the west in the City of Orange (the "Orange Campus") and (c) other related and appurtenant facilities of the Borrower and (B) payment of certain expenses incurred in connection with the issuance of the Bonds (collectively, the "Project"). The Project will be owned and operated by the Borrower; and (2) refinancing the California Educational Facilities Authority Variable Rate Demand Revenue Bonds (Chapman University) Series 2000 (the "Prior Bonds"), the proceeds of which were to be used to finance and refinance all or a portion of the costs of the (a) construction, improvement and equipping of a residence hall, with an address of 535 North Grand Street, Orange, California 92866, with 310 beds and infrastructure improvements related thereto located on the Orange Campus, (b) construction, improvement and equipping of a parking structure, with an address of 590 North Shaffer Street, Orange, California 92866, with 596 parking spaces and infrastructure improvements related thereto located on the Orange Campus, (c) construction, improvement and equipping of an academic and administrative building for the School of Film and Television with an attached parking lot with up to 223 parking spaces, the address of which is 283 North Cypress Street Orange, California 92866 and bounded generally by West Palm Avenue to the north, North Lemon Street to the east, West Maple Avenue to the south and North Cypress Street to the west in the City of Orange, (d) then-existing mortgages on the following properties: 312 North Olive Street, 336 North Olive Street, 373 North Center Street, 375 North Center Street, 377 North Center Street, 415 East Walnut Avenue, 337 North Cypress Street, 420 East Walnut Avenue, 337 North Lemon

Street, 323 North Center Street, 333 North Center Street, 339 North Center Street, all located in the City of Orange and 19252 Mesa Drive located in the City of Villa Park and the acquisition of properties including: 452 North Glassell Street and 423 North Center Street, 348 North Olive, 350 North Olive, 313 North Center and 190 North Cypress all located in the City of Orange and located in the area bounded generally by East Everett Place to the north, North Shaffer Street to the east, Maple Avenue to the south and the Orange County Transportation Authority Metrolink Railroad to the west in the City of Orange, (e) other related and appurtenant facilities of the Borrower and (f) payment of certain expenses incurred in connection with the issuance of the Prior Bonds (collectively, the "Prior Project"). The Prior Project is owned and operated by the Borrower.

The hearing will commence at 10:00 a.m. local time, or as soon thereafter as the matter can be heard and will be held at 915 Capitol Mall, Room 590, Sacramento, California 95814. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed or refinanced may attend the public hearing or, prior to the time of the hearing, submit written comments to Ronald L. Washington, Executive Director, California Educational Facilities Authority, 915 Capitol Mall, Room 590, Sacramento, California 95814. The Authority reserves the right to limit the time available to any person presenting comments. Information on the proposed financing is available from the Authority at the address given above.

Dated: June 15, 2011