NJEFA News
December 11, 2008

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The New Jersey Educational Facilities Authority Issued $74,100,000 Bonds for Seton Hall University

On December 11, 2008 the New Jersey Educational Facilities Authority closed $74,100,000 combined par amount of revenue refunding bonds in its 2008 Series D and 2008 Series E financings on behalf of Seton Hall University.

The 2008 Series D Bonds current refunded $28,287,500 of the Authority's $50,025,000 outstanding Seton Hall University 2005 Series C bonds. The Bonds also current refunded the entire $20,200,000 outstanding Seton Hall University, 2006 Series A bonds. The Bonds are backed by a letter of credit provided by Allied Irish Banks, plc and were initially structured as 6-month put bonds with an interest rate of 1.375% and converted to variable rate demand obligations in the weekly mode on June 2, 2009. The refunding was structured as variable rate in order to take advantage of the synthetic fixed rates on each of the 2005 Series C and 2006 Series A transactions.

The 2008 Series E Bonds current refunded the remaining outstanding $21,737,500 2005 Series C bonds. This fixed-rate transaction carried a true interest cost of 6.127% and attracted significant interest from both retail and institutional investors. Both the 2008 Series D and 2008 Series E Bonds will mature on July 1, 2037.

The 2005 Series C bonds were originally issued to finance the renovation and expansion of McNulty Hall's Science and Technology Center; the reimbursement to the University for funds expended to acquire real property located at 384 Turrell Avenue, South Orange, New Jersey; the construction and installation of a new campus electrical substation; the acquisition and installation of artificial turf and improvements to the University's baseball and soccer fields. The 2006 Series A bonds were originally issued to currently refund the Authority's outstanding 1996 Series, Project E bonds issued on behalf of the University.

Seton Hall University is rated A3 and A by Moody's Investors Service and Standard & Poor's Rating Services, respectively, with stable outlooks. Moody's rating report on the issues noted the University's sustained healthy operating performance, solid student demand, financial flexibility and prudent budgeting practices. Standard and Poor's rating reflects the University's niche as the largest Roman Catholic university in New Jersey as well as a continuous history of solid operating performance and improving student demand.

The 2008 Series D and 2008 Series E issues were underwritten by Citigroup Global Markets Inc. and RBC Capital Markets through a negotiated sale. Bond counsel for both transactions was Wilentz, Goldman & Spitzer, P.A. and Acacia Financial Group, Inc. served as financial advisor.

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