

**CALIFORNIA STATE UNIVERSITY**  
**CSU PROJECT EXAMPLE**  
**Market Conditions of November 2007 Plus 100 Basis Points**

**Sources of Funds**

Par Amount	\$ 21,105,000.00
Contribution	1,000,000.00
Earnings on Construction Account	436,866.55
Capitalized Interest Earnings	91,579.98
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	\$ 22,633,446.53

**Uses of Funds**

Project Costs	\$ 20,000,000.00
Capitalized Interest	2,248,158.71
Bond Discount	147,735.00
Bond Insurance	161,880.97
Cost of Issuance	75,671.85
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	\$ 22,633,446.53

BOND DEBT SERVICE

California State University  
 CSU Project Example  
 Market Conditions of November 2007 Plus 100 Basis Points

Dated Date 06/01/2008  
 Delivery Date 06/01/2008

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2008			488,735.96	488,735.96	
05/01/2009			586,474.25	586,474.25	1,075,210.21
11/01/2009			586,474.25	586,474.25	
05/01/2010			586,474.25	586,474.25	1,172,948.50
11/01/2010	300,000	4.380%	586,474.25	886,474.25	
05/01/2011			579,904.25	579,904.25	1,466,378.50
11/01/2011	315,000	4.430%	579,904.25	894,904.25	
05/01/2012			572,927.00	572,927.00	1,467,831.25
11/01/2012	330,000	4.500%	572,927.00	902,927.00	
05/01/2013			565,502.00	565,502.00	1,468,429.00
11/01/2013	345,000	4.560%	565,502.00	910,502.00	
05/01/2014			557,636.00	557,636.00	1,468,138.00
11/01/2014	360,000	4.630%	557,636.00	917,636.00	
05/01/2015			549,302.00	549,302.00	1,466,938.00
11/01/2015	375,000	4.700%	549,302.00	924,302.00	
05/01/2016			540,489.50	540,489.50	1,464,791.50
11/01/2016	395,000	4.760%	540,489.50	935,489.50	
05/01/2017			531,088.50	531,088.50	1,466,578.00
11/01/2017	415,000	4.830%	531,088.50	946,088.50	
05/01/2018			521,066.25	521,066.25	1,467,154.75
11/01/2018	435,000	4.970%	521,066.25	956,066.25	
05/01/2019			510,256.50	510,256.50	1,466,322.75
11/01/2019	460,000	5.130%	510,256.50	970,256.50	
05/01/2020			498,457.50	498,457.50	1,468,714.00
11/01/2020	485,000	5.250%	498,457.50	983,457.50	
05/01/2021			485,726.25	485,726.25	1,469,183.75
11/01/2021	510,000	5.360%	485,726.25	995,726.25	
05/01/2022			472,058.25	472,058.25	1,467,784.50
11/01/2022	535,000	5.460%	472,058.25	1,007,058.25	
05/01/2023			457,452.75	457,452.75	1,464,511.00
11/01/2023	565,000	5.520%	457,452.75	1,022,452.75	
05/01/2024			441,858.75	441,858.75	1,464,311.50
11/01/2024	600,000	5.570%	441,858.75	1,041,858.75	
05/01/2025			425,148.75	425,148.75	1,467,007.50
11/01/2025	635,000	5.620%	425,148.75	1,060,148.75	
05/01/2026			407,305.25	407,305.25	1,467,454.00
11/01/2026	670,000	5.670%	407,305.25	1,077,305.25	
05/01/2027			388,310.75	388,310.75	1,465,616.00
11/01/2027	710,000	5.700%	388,310.75	1,098,310.75	
05/01/2028			368,075.75	368,075.75	1,466,386.50
11/01/2028	750,000	5.770%	368,075.75	1,118,075.75	
05/01/2029			346,438.25	346,438.25	1,464,514.00
11/01/2029	795,000	5.770%	346,438.25	1,141,438.25	
05/01/2030			323,502.50	323,502.50	1,464,940.75
11/01/2030	845,000	5.780%	323,502.50	1,168,502.50	
05/01/2031			299,082.00	299,082.00	1,467,584.50
11/01/2031	895,000	5.780%	299,082.00	1,194,082.00	
05/01/2032			273,216.50	273,216.50	1,467,298.50
11/01/2032	945,000	5.790%	273,216.50	1,218,216.50	
05/01/2033			245,858.75	245,858.75	1,464,075.25

BOND DEBT SERVICE

California State University  
CSU Project Example

Market Conditions of November 2007 Plus 100 Basis Points

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2033	1,005,000	5.820%	245,858.75	1,250,858.75	
05/01/2034			216,613.25	216,613.25	1,467,472.00
11/01/2034	1,065,000	5.820%	216,613.25	1,281,613.25	
05/01/2035			185,621.75	185,621.75	1,467,235.00
11/01/2035	1,130,000	5.820%	185,621.75	1,315,621.75	
05/01/2036			152,738.75	152,738.75	1,468,360.50
11/01/2036	1,195,000	5.830%	152,738.75	1,347,738.75	
05/01/2037			117,904.50	117,904.50	1,465,643.25
11/01/2037	1,270,000	5.830%	117,904.50	1,387,904.50	
05/01/2038			80,884.00	80,884.00	1,468,788.50
11/01/2038	1,345,000	5.840%	80,884.00	1,425,884.00	
05/01/2039			41,610.00	41,610.00	1,467,494.00
11/01/2039	1,425,000	5.840%	41,610.00	1,466,610.00	
05/01/2040					1,466,610.00
	21,105,000		25,146,705.46	46,251,705.46	46,251,705.46

NET DEBT SERVICE

California State University  
 CSU Project Example  
 Market Conditions of November 2007 Plus 100 Basis Points

Period Ending	Principal	Interest	Total Debt Service	Capitalized Interest	Net Debt Service
05/01/2009		1,075,210.21	1,075,210.21	1,075,210.21	
05/01/2010		1,172,948.50	1,172,948.50	1,172,948.50	
05/01/2011	300,000	1,166,378.50	1,466,378.50		1,466,378.50
05/01/2012	315,000	1,152,831.25	1,467,831.25		1,467,831.25
05/01/2013	330,000	1,138,429.00	1,468,429.00		1,468,429.00
05/01/2014	345,000	1,123,138.00	1,468,138.00		1,468,138.00
05/01/2015	360,000	1,106,938.00	1,466,938.00		1,466,938.00
05/01/2016	375,000	1,089,791.50	1,464,791.50		1,464,791.50
05/01/2017	395,000	1,071,578.00	1,466,578.00		1,466,578.00
05/01/2018	415,000	1,052,154.75	1,467,154.75		1,467,154.75
05/01/2019	435,000	1,031,322.75	1,466,322.75		1,466,322.75
05/01/2020	460,000	1,008,714.00	1,468,714.00		1,468,714.00
05/01/2021	485,000	984,183.75	1,469,183.75		1,469,183.75
05/01/2022	510,000	957,784.50	1,467,784.50		1,467,784.50
05/01/2023	535,000	929,511.00	1,464,511.00		1,464,511.00
05/01/2024	565,000	899,311.50	1,464,311.50		1,464,311.50
05/01/2025	600,000	867,007.50	1,467,007.50		1,467,007.50
05/01/2026	635,000	832,454.00	1,467,454.00		1,467,454.00
05/01/2027	670,000	795,616.00	1,465,616.00		1,465,616.00
05/01/2028	710,000	756,386.50	1,466,386.50		1,466,386.50
05/01/2029	750,000	714,514.00	1,464,514.00		1,464,514.00
05/01/2030	795,000	669,940.75	1,464,940.75		1,464,940.75
05/01/2031	845,000	622,584.50	1,467,584.50		1,467,584.50
05/01/2032	895,000	572,298.50	1,467,298.50		1,467,298.50
05/01/2033	945,000	519,075.25	1,464,075.25		1,464,075.25
05/01/2034	1,005,000	462,472.00	1,467,472.00		1,467,472.00
05/01/2035	1,065,000	402,235.00	1,467,235.00		1,467,235.00
05/01/2036	1,130,000	338,360.50	1,468,360.50		1,468,360.50
05/01/2037	1,195,000	270,643.25	1,465,643.25		1,465,643.25
05/01/2038	1,270,000	198,788.50	1,468,788.50		1,468,788.50
05/01/2039	1,345,000	122,494.00	1,467,494.00		1,467,494.00
05/01/2040	1,425,000	41,610.00	1,466,610.00		1,466,610.00
	21,105,000	25,146,705.46	46,251,705.46	2,248,158.71	44,003,546.75

PROJECT FUND

California State University  
 CSU Project Example

Market Conditions of November 2007 Plus 100 Basis Points

Date	Deposit	Interest @ 3.5%	Principal	Scheduled Draws	Balance
06/01/2008	18,563,133.45		1,111,111.12	1,111,111.12	17,452,022.33
07/01/2008			1,111,111.12	1,111,111.12	16,340,911.21
08/01/2008			1,111,111.11	1,111,111.11	15,229,800.10
09/01/2008			1,111,111.11	1,111,111.11	14,118,688.99
10/01/2008		184,162.48	926,948.63	1,111,111.11	13,191,740.36
11/01/2008			1,111,111.11	1,111,111.11	12,080,629.25
12/01/2008			1,111,111.11	1,111,111.11	10,969,518.14
01/01/2009		105,705.51	1,005,405.60	1,111,111.11	9,964,112.54
02/01/2009			1,111,111.11	1,111,111.11	8,853,001.43
03/01/2009			1,111,111.11	1,111,111.11	7,741,890.32
04/01/2009		77,463.76	1,033,647.35	1,111,111.11	6,708,242.97
05/01/2009			1,111,111.11	1,111,111.11	5,597,131.86
06/01/2009			1,111,111.11	1,111,111.11	4,486,020.75
07/01/2009		48,974.90	1,062,136.21	1,111,111.11	3,423,884.54
08/01/2009			1,111,111.11	1,111,111.11	2,312,773.43
09/01/2009			1,111,111.11	1,111,111.11	1,201,662.32
10/01/2009		20,236.77	1,090,874.34	1,111,111.11	110,787.98
11/01/2009		323.13	110,787.98	111,111.11	
	18,563,133.45	436,866.55	18,563,133.45	19,000,000.00	

Value of Negative Arbitrage: 265,850.28

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CAMPUS CONTRIBUTION

California State University  
CSU Project Example  
Market Conditions of November 2007 Plus 100 Basis Points

Date	Deposit	Interest	Principal	Scheduled Draws	Balance
06/01/2008	1,000,000				1,000,000
11/01/2009			1,000,000	1,000,000	
	1,000,000	0	1,000,000	1,000,000	

Value of Negative Arbitrage: 77,004.31

CAPITALIZED INTEREST

California State University  
 CSU Project Example  
 Market Conditions of November 2007 Plus 100 Basis Points

Date	Deposit	Interest @ 3.5%	Principal	Scheduled Draws	Balance
06/01/2008	2,156,578.73				2,156,578.73
10/01/2008		25,160.09	-25,160.09		2,181,738.82
11/01/2008			488,735.96	488,735.96	1,693,002.86
01/01/2009		16,239.25	-16,239.25		1,709,242.11
04/01/2009		14,955.87	-14,955.87		1,724,197.98
05/01/2009			586,474.25	586,474.25	1,137,723.73
07/01/2009		11,665.63	-11,665.63		1,149,389.36
10/01/2009		10,057.16	-10,057.16		1,159,446.52
11/01/2009			586,474.25	586,474.25	572,972.27
01/01/2010		6,724.06	-6,724.06		579,696.33
04/01/2010		5,072.34	-5,072.34		584,768.67
05/01/2010		1,705.58	584,768.67	586,474.25	
	2,156,578.73	91,579.98	2,156,578.73	2,248,158.71	

Value of Negative Arbitrage: 54,853.95

BOND SUMMARY STATISTICS

California State University  
 CSU Project Example  
 Market Conditions of November 2007 Plus 100 Basis Points

Dated Date	06/01/2008
Delivery Date	06/01/2008
First Coupon	11/01/2008
Last Maturity	11/01/2039
Arbitrage Yield	5.737029%
True Interest Cost (TIC)	5.731168%
Net Interest Cost (NIC)	5.741902%
All-In TIC	5.829651%
Average Coupon	5.708365%
Average Life (years)	20.873
Duration of Issue (years)	11.853
Par Amount	21,105,000.00
Bond Proceeds	21,105,000.00
Total Interest	25,146,705.46
Net Interest	25,294,440.46
Total Debt Service	46,251,705.46
Maximum Annual Debt Service	1,469,183.75
Average Annual Debt Service	1,472,202.83

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds	21,105,000.00	100.000	5.708%	20.873	24,124.45
	21,105,000.00			20.873	24,124.45

	TIC	All-In TIC	Arbitrage Yield
Par Value	21,105,000.00	21,105,000.00	21,105,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-147,735.00	-147,735.00	
- Cost of Issuance Expense		-73,867.50	
- Other Amounts		-161,880.97	-161,880.97
Target Value	20,957,265.00	20,721,516.53	20,943,119.03
Target Date	06/01/2008	06/01/2008	06/01/2008
Yield	5.731168%	5.829651%	5.737029%