NORTH CAMPUS-UNIVERSITY PARK DEVELOPMENT CORPORATION

**Meeting of the Board of Directors**

**September 26, 2008 - Summary**

# ITEM #1 CONSIDERATION OF MAY 27, 2008 MEETING MINUTES

The minutes were approved.

# ITEM #2 ELECTION

Colin Donahue was reelected for a three-year term (2008-2011); Abel Pacheco was approved as the student designee, to serve a one-year term (2008 – 2009).

# ITEM #3 CONFLICT OF INTEREST

Conflict of interest forms were distributed. Directors are required to sign the statements annually.

**ITEM #4 DEVONSHIRE DOWNS**

Schematic design has been completed. The construction manager is developing the cost estimate, which will be reviewed relative to current market conditions by Ultimate New Home Sales & Marketing. Conditions permitting, construction will begin in late spring 2009. At this time the project would require a roughly $10 million subsidy. The management team continues to look at contingencies and back up plans. Housing prices have dropped 35% in the San Fernando Valley in the last year. There is a strong likelihood that the project will be delayed until economic conditions improve.

The University Corporation loan documents were executed on March 31, 2008, with a rate of prime plus 1%, to be adjusted annually on the anniversary date. To date, NCDC has borrowed $200,000.

**ITEM #5 FINANCIAL STATEMENTS**

NCDC received a clean audit. The only significant change related to a technical bulletin on reporting lease revenue. Rent credits given to Medtronic/MiniMed during the initial ten years of the lease now must be shown over the full term of the lease.