

## **NOTICE OF VOLUNTARY DISCLOSURE**

**October 9, 2017**

This Notice of Voluntary Disclosure (this "Notice") has been prepared by The Texas A&M University System (the "System") on a voluntary basis to provide information regarding one of the System's public/private partnerships entered into for the purpose of allowing a private partner to construct, maintain and operate facilities on underutilized property owned by the System. The private partners in the System's public/private partnership transactions may issue or incur debt to finance the construction, maintenance or improvement of facilities, including facilities constructed on underutilized property owned by the System and facilities used to support the System's core mission. Any debt issued by private partners does not constitute an obligation of the Board of Regents of the Texas A&M University System (the "Board"), the System or any of its components. (See "Appendix A - Selected Financial Information - Public/Private Partnerships" in the Official Statement dated June 6, 2017 relating to the Board's Revenue Financing System Bonds, Taxable Series 2017B and Series 2017C.) This Notice is being filed on the electronic municipal market access portal ("EMMA") established by the Municipal Securities Rulemaking Board, located at <https://emma.msrb.org>, under the Board's Revenue Financing System Bonds, CUSIP prefix 882135 and 88213A.

On October 6, 2017, Moody's Investors Service posted a notice of downgrade (the "Downgrade Notice") for the New Hope Cultural Education Facilities Finance Corporation Student Housing Revenue Bonds (NCCD – College Station Properties LLC – Texas A&M University Project), Series 2015 (the "New Hope Bonds"), citing concerns that Fall 2017 occupancy levels are significantly below projected levels. The New Hope Bonds are secured by the revenues and assets of NCCD College Station Properties LLC (the "Borrower"), the owner of the Park West student housing project, a 3,402-bed student housing facility (the "Project") located on land near the campus of Texas A&M University in College Station, Texas (the "University"). The property upon which the Project has been developed was leased to the Borrower pursuant to a Ground Lease Agreement dated July 1, 2015 between the Board and the Borrower (the "Ground Lease").

While the University provides utility services to the Project, and has agreed to subordinate payment of utility expenses to the debt service on the New Hope Bonds, the Ground Lease does not contain any obligation for the Board, the System or the University to provide financial support for the Project, nor does the Ground Lease contain any occupancy or first-fill covenants on the part of the Board, the System or the University. Accordingly, the Downgrade Notice does not suggest, nor does the Board or the System assume, any obligation on the part of the Board, the System or the University with respect to the payment of debt service on the New Hope Bonds. The events referred to in the Downgrade Notice are not expected to have a material impact on the financial condition or the operations of the System, the University or the Board's Revenue Financing System.

The Downgrade Notice was posted on EMMA by the Borrower on October 6, 2017, and can be found on the disclosure pages for the New Hope Bonds, CUSIP prefix 64542R. Any inquiries regarding the Downgrade Notice should be directed to the Borrower.