

**NEW ISSUE-BOOK ENTRY ONLY**

RATINGS: (See "Description of Bond Ratings" herein)

**\$38,505,000**  
**ILLINOIS EDUCATIONAL FACILITIES**  
**AUTHORITY REVENUE BONDS,**  
**MJH EDUCATION ASSISTANCE**  
**ILLINOIS III LLC,**  
**SERIES 1999D**

**\$5,055,000**  
**ILLINOIS EDUCATIONAL FACILITIES**  
**AUTHORITY TAXABLE REVENUE BONDS,**  
**MJH EDUCATION ASSISTANCE**  
**ILLINOIS III LLC,**  
**SERIES 1999E**

**\$5,620,000**  
**ILLINOIS EDUCATIONAL FACILITIES**  
**AUTHORITY REVENUE BONDS,**  
**MJH EDUCATION ASSISTANCE**  
**ILLINOIS III LLC,**  
**SERIES 1999F**

Dated: July 15, 1999

Due: September 1, 2014

The Illinois Educational Facilities Authority Revenue Bonds, MJH Education Assistance Illinois III LLC, Series 1999D (the "Series 1999D Bonds"), the Illinois Educational Facilities Authority Taxable Revenue Bonds, MJH Education Assistance Illinois III LLC, Series 1999E (the "Series 1999E Bonds") and the Illinois Educational Facilities Authority Revenue Bonds, MJH Education Assistance Illinois III LLC, Series 1999F (the "Series 1999F Bonds" and with the Series 1999D Bonds and the Series 1999E Bonds, the "Series 1999D-F Bonds") will be issuable as fully registered bonds without coupons and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Series 1999D-F Bonds. Individual purchases may be made in book-entry-only form, in denominations of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interests in the Series 1999D-F Bonds purchased. See "BOOK-ENTRY-ONLY SYSTEM."

Interest on the Series 1999D-F Bonds is payable semiannually on March 1 and September 1 of each year beginning on September 1, 1999, to the registered Owners thereof as of the fifteenth day of the month immediately preceding the month in which an interest payment is due (the "Record Date") by check or by wire transfer to any Owner of at least \$1,000,000 in aggregate principal amount of the Series 1999D-F Bonds as of the close of business of LaSalle Bank National Association, Chicago, Illinois, as trustee (the "Trustee"), on the Record Date for a particular interest payment date. Interest on the Series 1999D-F Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Series 1999D-F Bonds is payable at the principal corporate trust office of the Trustee, or at the principal corporate trust office of any successor trustee or additional paying agent appointed under the Trust Indenture, dated as of June 1, 1999 (the "Indenture"), between the Illinois Educational Facilities Authority (the "Authority") and the Trustee. Principal of, premium, if any, and interest on the Series 1999D-F Bonds will be paid by the Trustee directly to DTC, as long as DTC or its nominee is the registered owner of the Series 1999D-F Bonds. Disbursement of such payments to the participants of DTC will be the sole responsibility of DTC, and the ultimate disbursement of such payments to the beneficial owners of the Series 1999D-F Bonds will be the responsibility of the participants of DTC.

The Series 1999D Bonds will bear interest at 5.45% per annum. The Series 1999E Bonds will bear interest at 7.50% per annum. The Series 1999F Bonds will bear interest at 5.45% per annum.

**SERIES 1999D-F BONDS PRICE: 100%**

Payment of the principal of and interest on the Series 1999D-F Bonds when due and upon mandatory redemption will be insured through a municipal bond insurance policy (the "Bond Insurance Policy") to be issued by Ambac Assurance Corporation ("Ambac Assurance") simultaneously with the delivery of the Series 1999D-F Bonds.

**Ambac**

See "THE BOND INSURANCE POLICY AND THE BOND INSURER" herein.

The Series 1999D-F Bonds are subject to optional, mandatory and extraordinary optional redemption prior to maturity as described herein.

The Series 1999D-F Bonds are being issued to finance a portion of the costs of (i) the acquisition from DePaul University (the "University") of a leasehold interest for approximately forty (40) years in certain land (the "Construction Projects Land") and the construction and equipping of certain parking and student residence facilities thereon, (collectively, the "Construction Projects"), by MJH Education Assistance Illinois III LLC, an Illinois limited liability company organized for nonprofit purposes (the "Institution"), as more fully described herein, which the Institution will lease to the University pursuant to the Lease Agreement dated as of June 1, 1999, between the Institution and the University (the "Construction Projects Lease"), (ii) paying certain capitalized interest on the Series 1999D-F Bonds, (iii) funding a Debt Service Reserve Fund and (iv) paying certain costs of issuance of the Series 1999D-F Bonds, including paying to Ambac Assurance the premium for the Bond Insurance Policy.

The Series 1999D Bonds, the Series 1999E Bonds and the Series 1999F Bonds are limited obligations of the Authority, payable solely from the payments to be made on the First Mortgage Note, Series 1999D (the "Series 1999D Note"), the First Mortgage Note, Series 1999E (the "Series 1999E Notes") and the First Mortgage Note, Series 1999F (the "Series 1999F Note" and with the Series 1999D Note and the Series 1999E Note, the "Series 1999D-F Notes"), of the Institution issued pursuant to the Loan Agreement, Mortgage and Security Agreement dated as of June 1, 1999, between the Authority and the Institution (the "Mortgage"), from amounts payable under the Mortgage, and from certain funds pledged under the Indenture, on an equal and ratable basis (see APPENDIX D — "Definitions of Certain Terms and Summary of Principal Documents — SUMMARY OF PRINCIPAL DOCUMENTS — THE INDENTURE — DEFAULTS AND REMEDIES — Application of Moneys"), all as described herein. The Series 1999D-F Notes will be limited recourse obligations of the Institution payable solely and only from the Mortgaged Property, including the rentals under the Construction Projects Lease, and from any available amounts held by the Trustee established under the Indenture (other than amounts in the Rebate Fund). **THE SERIES 1999D-F BONDS DO NOT REPRESENT OR CONSTITUTE A DEBT OF THE AUTHORITY OR OF THE STATE OF ILLINOIS WITHIN THE MEANING OF THE PROVISIONS OF THE CONSTITUTION OR STATUTES OF THE STATE OF ILLINOIS OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE AUTHORITY OR OF THE STATE OF ILLINOIS OR GRANT TO THE OWNERS THEREOF ANY RIGHT TO HAVE THE AUTHORITY OR THE GENERAL ASSEMBLY OF THE STATE OF ILLINOIS LEVY ANY TAXES OR APPROPRIATE ANY FUNDS FOR THE PAYMENT THEREOF.**

**THIS COVER PAGE CONTAINS ONLY A SUMMARY OF INFORMATION REGARDING THE SERIES 1999D-F BONDS. POTENTIAL INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING THE SECTION ENTITLED "BONDHOLDERS' RISKS," PRIOR TO MAKING AN INVESTMENT DECISION.**

*Subject to compliance by the Authority, the Institution and the University with certain covenants, in the opinion of Chapman and Cutler, Bond Counsel, under present law, interest on the Series 1999D Bonds and Series 1999F Bonds is not includible in gross income of the owners thereof for federal income tax purposes, and, therefore, is exempt from present federal income taxation, except to the extent that such interest is taken into account in computing the corporate alternative minimum tax and the branch profits tax. Interest on the Series 1999D Bonds and Series 1999F Bonds is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal tax consequences of owning the Series 1999D Bonds and Series 1999F Bonds. Interest on the Series 1999E Bonds is not excludible from gross income of the owners thereof for federal income tax purposes. Interest on the Series 1999D-F Bonds is not exempt from present Illinois income taxes.*

*The Series 1999D-F Bonds are offered when, as and if issued by the Authority and received by Salomon Smith Barney, subject to prior sale, to withdrawal or modification of the offer without any notice, and subject to the approval of the legality of the Series 1999D-F Bonds by Chapman and Cutler, Chicago, Illinois, Bond Counsel to the Authority. Certain legal matters will be passed upon for the Authority by its general counsel, Arnstein & Lebr, Chicago, Illinois, for the Institution by its counsel, A&E, Bryan & Malin, LLP, Los Angeles, California, for the University by its counsel, Sonnenschein Nath & Rosenthal, Chicago, Illinois, and for the Underwriter by its counsel, Peck, Shaffer & Williams LLP, Cincinnati, Ohio. It is expected that the Series 1999D-F Bonds will be available for delivery in New York, New York on or about August 4, 1999.*

**Salomon Smith Barney**

DATED: July 21, 1999

**\$1,700,000**  
**ILLINOIS EDUCATIONAL FACILITIES**  
**AUTHORITY REVENUE BONDS,**  
**MJH EDUCATION ASSISTANCE**  
**ILLINOIS III LLC,**  
**SERIES 1999G**

Dated: July 15, 1999

Due: September 1, 2014

The Illinois Educational Facilities Authority Revenue Bonds, MJH Education Assistance Illinois III LLC, Series 1999G (the "Series 1999G Bonds"), will be issuable as fully registered bonds without coupons in minimum denominations of \$100,000. The Series 1999G Bonds are being sold only to Accredited Investors (as defined herein) and are not eligible for book-entry registration.

Interest on the Series 1999G Bonds is payable semiannually on March 1 and September 1 of each year beginning on September 1, 1999, to the registered Owners thereof as of the fifteenth day of the month immediately preceding the month in which an interest payment is due (the "Record Date") by check mailed by the Trustee (as defined herein) to the registered Owners thereof or by wire transfer to any requesting registered Owner as of the close of business of LaSalle Bank National Association, Chicago, Illinois, as trustee (the "Trustee"), on the Record Date for a particular interest payment date. Interest on the Series 1999G Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Series 1999G Bonds is payable at the principal corporate trust office of the Trustee, or at the principal corporate trust office of any successor trustee or additional paying agent appointed under the Trust Indenture, dated as of June 1, 1999 (the "Indenture"), between the Illinois Educational Facilities Authority (the "Authority") and the Trustee.

The Series 1999G Bonds will bear interest at 8.15% per annum.

**SERIES 1999G BONDS PRICE: 100%**

The Series 1999G Bonds are subject to optional, mandatory and extraordinary optional redemption prior to maturity as described herein.

The Series 1999G Bonds are being issued to finance a portion of the costs of (i) the acquisition from DePaul University (the "University") of a leasehold interest for approximately forty (40) years in certain land (the "Construction Projects Land") and the construction and equipping of certain parking and student residence facilities thereon (collectively, the "Construction Projects"), by MJH Education Assistance Illinois III LLC, an Illinois limited liability company organized for nonprofit purposes (the "Institution"), as more fully described herein, following which the Institution will lease the Construction Projects and sublease the Construction Projects Land to the University pursuant to the Lease Agreement dated as of June 1, 1999, between the Institution and the University (the "Construction Projects Lease"), (ii) paying certain capitalized interest on the Series 1999G Bonds, (iii) funding a Debt Service Reserve Fund for the benefit of the Series 1999D-F Bonds (as defined herein) and (iv) paying certain costs of issuance of the Series 1999G Bonds.

The Series 1999G Bonds are limited obligations of the Authority, payable solely from the payments to be made on the Capital Certificate, Series 1999G (the "Capital Certificate"), of the Institution issued pursuant to the Security Agreement dated as of June 1, 1999, between the Authority and the Institution (the "Security Agreement"), from amounts payable under the Security Agreement, and from certain funds pledged under the Indenture, on an equal and ratable basis (see APPENDIX D), all as described herein. The Capital Certificate will be a general obligation of the Institution secured by the Collateral (as defined in the Security Agreement), and by any available amounts held by the Trustee in the funds established under the Indenture (other than amounts in the Rebate Fund). THE SERIES 1999G BONDS DO NOT REPRESENT OR CONSTITUTE A DEBT OF THE AUTHORITY OR OF THE STATE OF ILLINOIS WITHIN THE MEANING OF THE PROVISIONS OF THE CONSTITUTION OR STATUTES OF THE STATE OF ILLINOIS OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE AUTHORITY OR OF THE STATE OF ILLINOIS OR GRANT TO THE OWNERS THEREOF ANY RIGHT TO HAVE THE AUTHORITY OR THE GENERAL ASSEMBLY OF THE STATE OF ILLINOIS LEVY ANY TAXES OR APPROPRIATE ANY FUNDS FOR THE PAYMENT THEREOF.

THIS COVER PAGE CONTAINS ONLY A SUMMARY OF INFORMATION REGARDING THE SERIES 1999G BONDS. POTENTIAL INVESTORS SHOULD READ THE ENTIRE LIMITED OFFERING MEMORANDUM, INCLUDING THE SECTION ENTITLED "BONDHOLDERS' RISKS," PRIOR TO MAKING AN INVESTMENT DECISION. THE CAPITAL CERTIFICATE IS FULLY SUBORDINATED TO ALL OTHER OBLIGATIONS OF THE INSTITUTION.

THE SERIES 1999G BONDS ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE SERIES 1999G BONDS ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PURCHASERS WHO ARE ACCREDITED AND EXPERIENCED IN THE FIELD OF HIGH YIELD BONDS PAYABLE ONLY FROM, ON A FULLY SUBORDINATED BASIS, RENTAL INCOME FROM REAL ESTATE. NO RATING FOR THE SERIES 1999G BONDS HAS BEEN APPLIED FOR. SEE "SECURITY FOR THE SERIES 1999G BONDS" AND "BONDHOLDERS' RISKS" HEREIN. THE SERIES 1999G BONDS SHALL BE SOLD INITIALLY ONLY TO ACCREDITED INVESTORS WHO HAVE EXECUTED AND DELIVERED AN "INVESTOR'S LETTER," IN FORM AND SUBSTANCE SATISFACTORY TO THE AUTHORITY, INCLUDING, AMONG OTHER THINGS, (A) STATING THAT THE PURCHASE OF THE SERIES 1999G BONDS WILL BE SOLELY FOR ITS OWN ACCOUNT FOR INVESTMENT PURPOSES, (B) STATING THAT IT IS AN ACCREDITED INVESTOR AND CAN BEAR THE ECONOMIC RISK OF ITS INVESTMENT IN THE SERIES 1999G BONDS, (C) STATING THAT SUCH ACCREDITED INVESTOR HAS SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL BUSINESS MATTERS IN GENERAL AND TAX-EXEMPT OBLIGATIONS IN PARTICULAR, THAT IT IS CAPABLE OF EVALUATING THE MERITS AND RISKS OF PURCHASING THE SERIES 1999G BONDS, (D) STATING THAT SUCH ACCREDITED INVESTOR HAS MADE THE DECISION TO PURCHASE THE SERIES 1999G BONDS BASED ON ITS OWN INDEPENDENT INVESTIGATION REGARDING THE SERIES 1999G BONDS, THE INSTITUTION, THE UNIVERSITY AND THE CONSTRUCTION PROJECTS AND THIS LIMITED OFFERING MEMORANDUM AND HAS RECEIVED THE INFORMATION IT CONSIDERS NECESSARY TO MAKE AN INFORMED DECISION TO INVEST IN THE SERIES 1999G BONDS, AND (E) ACKNOWLEDGING THAT THE AUTHORITY, ITS COUNSEL AND ITS ADVISORS BEAR NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF INFORMATION WITH RESPECT TO THE INSTITUTION, THE UNIVERSITY AND THE CONSTRUCTION PROJECTS CONTAINED IN ANY DISCLOSURE DOCUMENT RELATED TO ITS PURCHASE OF THE SERIES 1999G BONDS, INCLUDING THIS LIMITED OFFERING MEMORANDUM.

*Subject to compliance by the Authority, the Institution and the University with certain covenants, in the opinion of Chapman and Cutler, Bond Counsel, under present law, interest on the Series 1999G Bonds is not includible in gross income of the owners thereof for federal income tax purposes, and, therefore, is exempt from present federal income taxation, except to the extent that such interest is taken into account in computing the corporate alternative minimum tax and the branch profits tax. Interest on the Series 1999G Bonds is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal tax consequences of owning the Series 1999G Bonds. Interest on the Series 1999G Bonds is not exempt from present Illinois income taxes.*

*The Series 1999G Bonds are offered when, as and if issued by the Authority and received by Salomon Smith Barney, subject to prior sale, to withdrawal or modification of the offer without any notice, and subject to the approval of the legality of the Series 1999G Bonds by Chapman and Cutler, Chicago, Illinois, Bond Counsel to the Authority. Certain legal matters will be passed upon for the Authority by its general counsel, Arnstein & Lehr, Chicago, Illinois, for the Institution by its counsel, Akre, Bryan & Malin, LLP, Los Angeles, California, for the University by its counsel, Sonnenschein Nath & Rosenthal, Chicago, Illinois, and for the Underwriter by its counsel, Peck, Shaffer & Williams LLP, Cincinnati, Ohio. It is expected that the Series 1999G Bonds will be available for delivery in New York, New York on or about August 4, 1999.*

**Salomon Smith Barney**