

FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES FINANCE AND AUDIT COMMITTEE

Monday, November 17, 2014 9:00 am Florida International University Modesto A. Maidique Campus Graham Center Ballrooms, East Ballroom

Committee Membership:

Sukrit Agrawal, *Chair;* Robert T. Barlick, Jr., *Vice Chair*, Cesar L. Alvarez; Gerald C. Grant, Jr.; Kathleen Wilson

<u>Liaison:</u>

Richard Brilliant, Foundation Board of Directors

AGENDA

1.	Call to Order and Chair's Remarks	Sukrit Agrawal
2.	Action Item	
	FA1. Revised Biscayne Bay Campus Student Housing Project	Kenneth A. Jessell
3.	New Business (If any)	Sukrit Agrawal
4.	Concluding Remarks and Adjournment	Sukrit Agrawal

Next Finance and Audit Committee Meeting is scheduled for Wednesday, January 14, 2015

Market conditions and construction start date may impact actual amounts set forth in the summaries. Additionally, final negotiations on all agreements are scheduled for November and December 2014; minor modifications may be made.

THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES Finance and Audit Committee

November 17, 2014

Subject: REVISED Biscayne Bay Campus Student Housing project

Proposed Committee Action:

Recommend that the Florida International University Board of Trustees authorize the University President or designee to (i) enter into a Sublease Agreement and Operating Agreement with NCCD–Biscayne Properties LLC ("NCCD-Biscayne"), a single member limited liability company owned by National Campus and Community Development Corporation ("NCCD"), on substantially the same terms as described herein, and (ii) take all actions and execute all other incidental documents necessary or desirable in connection with NCCD-Biscayne's development, construction and operation of the Student Housing project, including, but not limited to, granting easements and licenses on the Biscayne Bay Campus ("BBC").

Background Information:

On June 12, 2014, the FIU Board of Trustees authorized the University President or designee to (i) enter into a Sublease Agreement and Operating Agreement with NCCD–Biscayne Properties LLC ("NCCD-Biscayne"), a single member limited liability company owned by National Campus and Community Development Corporation ("NCCD") (ii) take all actions and execute all other incidental documents necessary or desirable in connection with NCCD-Biscayne's development, construction and operation of the Student Housing project, including, but not limited to, granting easements and licenses on the BBC. However, it was necessary to downsize the project to account for rating agency feedback which necessitated a number of other changes.

On October 4, 2013, FIU issued FIU ITN 34-003 for the development of a residence facility on BBC to be fully planned, designed, constructed, financed, owned, operated and maintained by an outside party. The anticipated benefits of this collaboration are to fulfill students' needs for safe, high-quality on-campus housing facilities at BBC which encompass convenient, well-appointed accommodations within proximity of FIU classrooms, offices and campus amenities.

An evaluation committee with representatives from the student body, the Office of Students Affairs, the Office of the Vice Provost at BBC, and the Office of Finance and Administration selected from a pool of eight proposals, (AP/CA/Brookwood, LLC; Ambling University Development Group; American Campus Communities Services, Inc.; Balfour Beatty Campus Solutions, LLC; Educational Facilities Development Services, LLC; MCD, LLC; Servitas, LLC; and Dunlap & Associates (non-responsive)) a proposal led by Servitas LLC ("Servitas"), based on the proposed project's fit with FIU's priorities, consideration paid to FIU, corporate profile, development experience, and facility design. A description of the companies that make up the project team is attached hereto as Appendix A- Project Team.

The Florida International University Board of Trustees Finance and Audit Committee November 17, 2014 Agenda Item FA1 P a g e \mid **2**

The selected project will be a facility containing approximately 410 beds (a reduction from the original 618 beds) in a 9-story facility totaling approximately 188,000 square feet (a reduction from the original 297,000 square feet), a resort-style swimming pool and other amenities constructed on approximately 2.12 acres of land (no more land than is reasonably required to accommodate the project will be provided). The project will include approximately 3,760 square feet of space for FIU's exclusive use (classrooms, Student Services and/or Business Services) at no cost to FIU and parking spaces at a ratio of approximately one space for every two beds. Renderings of the project are attached hereto as Appendix B – Renderings of the project. Construction of the project is expected to be completed July 2016.

The tenants of the project will be FIU students. Should expected occupancies not be met, FIU faculty, staff, other FIU approved groups and students of other institutions of higher education may also be tenants of the project.

In order to provide competitive rental rates to students, tax-exempt debt up to \$56,420,000 will be issued for the development of the project. Taxable debt of up to \$80,000 will also be issued to cover the cost of issuance. The debt has been issued an investment grade rating by Moody's Investor Service, a bond rating agency. The Miami-Dade Industrial Development Authority will act as the conduit issuer for this revenue-generating project where the funds generated from rental receipts will be pledged to make payments to bondholders.

Because tax-exempt debt is being issued, the project must be owned by a tax-exempt entity. A description of the structure of the transaction is attached hereto as Appendix C - Proposed project Structure.

Assessments of the feasibility of the project have been made by FIU and our financial advisors, Dunlap & Associates. An independent market demand study commissioned by NCCD and conducted by Alvarez & Marsal Real Estate Advisory Services in 2014 has substantiated expected demand for the project. Additionally, in 2012, FIU commissioned a quality of life master plan/housing demand study on the Biscayne Bay Campus by Brailsford & Dunlavey.

FIU will grant a long-term sublease to NCCD-Biscayne for a term of 40 years. FIU will also grant easements, licenses and any other rights outside the subleased property as needed for the development and operation of the project. FIU will enter into an operating agreement with NCCD- Biscayne which establishes the various rights and responsibilities of the parties relating to the operation of the project. FIU will not have any financial or legal responsibility for the project. FIU will be limited in its ability to develop additional housing at BBC unless the project is evaluated by an outside consultant as being able to continue to meet its debt service coverage ratio. If, and when the project generates any surplus revenue, FIU will be the recipient of that surplus revenue. The credit of FIU and the State of Florida are not being used to support the project. FIU is making the following commitments for the benefit of the project: (i) The University agrees to provide utilities for the Project and to subordinate the repayment of the utility costs to other Operating Expenses (except the portion of the management fee subordinated as described in the Summary of the Property Management and Residential Life Agreement) and Debt Service, (ii) The University agrees to receive rental payments from third party providers of loans or other financial assistance on behalf of student residents and remit those amounts to the Trustee in accordance with a predefined remittance schedule. Students paying their total

The Florida International University Board of Trustees Finance and Audit Committee November 17, 2014 Agenda Item FA1 P a g e | **3**

semester financial obligations will also be able to include the housing in their checks to the University which will be forwarded to the Trustee.

Section 1013.171, Florida Statutes, authorizes the FIU BOT to negotiate and enter into a long-term ground sublease of land for purposes of erecting facilities and accommodations which are necessary and desirable to serve the University needs and purposes. Upon receipt of this Board's approval, approval of the Board of Governors and the Board of Trustees of the Internal Improvement Trust Fund will be obtained.

Supporting Documentation:	Appendix A - Project Team
	Appendix B – Renderings of the project
	Appendix C - Proposed project Structure
	Supplemental supporting documentation

Facilitator/Presenter:

Kenneth A. Jessell

Appendix A - Project Team

Servitas LLC - Program and Development Management

Servitas LLC, headquartered in Irving, Texas, led the response to FIU's ITN 34-003 and serves as the primary point of contact for FIU, coordinating all details, decisions and project delivers with team members. The firm has served more than 40 universities in 15 states with the delivery of more than 40,000 on-campus beds. Key services in higher education are: market and feasibility analysis, master planning, finance coordination, in-house construction and property management. Servitas LLC has developed the 405-bed, LEED gold certified Lighthouse Commons facility for Edison State College in Fort Myers, Florida with a tax-exempt bond issue of \$26,300,000 and 338 beds for Stetson University in Deland, Florida with a tax-exempt bond issue of \$17,015,000.

Servitas Management Group – Property Management and Residential Life Programming

Servitas Management Group manages a variety of student housing property types across the country and developed a deep understanding of student housing operations including: maintenance, marketing, leasing and residence life programming. The firm regularly survey's students to maintain an awareness of current student preferences and concerns.

General Contractor TBD

PGAL - Architecture / Engineering

PGAL is an international practice with 170 professionals offering services in architecture, planning, interior design, engineering and program management. In Florida for more than 30 years the Boca Raton office specializes in a range of building types from on campus housing, higher education, K-12 classroom and academic buildings. In the last decade, PGAL has designed over 20,000 housing units of all sizes and configurations including dozens of campus housing options for universities. Key personnel assigned to the BBC Housing project have worked together in the development of more than 10,000 beds with almost 3,300 beds developed for Florida Atlantic University.

NCCD-Biscayne Properties LLC - Owner

National Campus and Community Development Corporation ("NCCD") of Austin, Texas is a not-for-profit 501(c)3 corporation founded in 2006. NCCD was organized to engage in a broad range of activities that among other things, provides support for universities by financing student housing facilities for the benefit of students, faculty and staff. NCCD will organize a single member Limited Liability Company "NCCD-Biscayne Properties LLC" in Tennessee, of which NCCD will be the only member, to own the project. NCCD-Biscayne Properties LLC will hold development and management agreements with Servitas LLC and Servitas Management Group respectively.

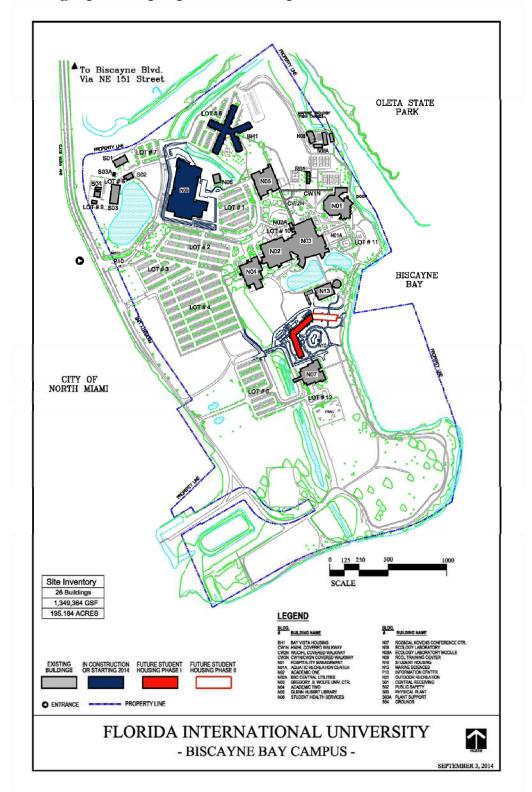
The Florida International University Board of Trustees Finance and Audit Committee November 17, 2014

Raymond James - Underwriters

Raymond James is a top 10 underwriter of bond issues for both public and private institutions of higher learning throughout the United States. Since 2006, the firm has managed 528 issues for colleges and universities with a par value of \$39.1 billion. Raymond James has extensive experience in the area of privatized student housing, serving as underwriter on more than 60 issues with a total par value of \$1.4 billion since 2000. The BBC Housing project will be funded by private placement or a negotiated public offering with Raymond James serving as senior managing underwriter.

Appendix B – Renderings of the project

Master Plan graphic of proposed development on site



The Florida International University Board of Trustees Finance and Audit Committee November 17, 2014

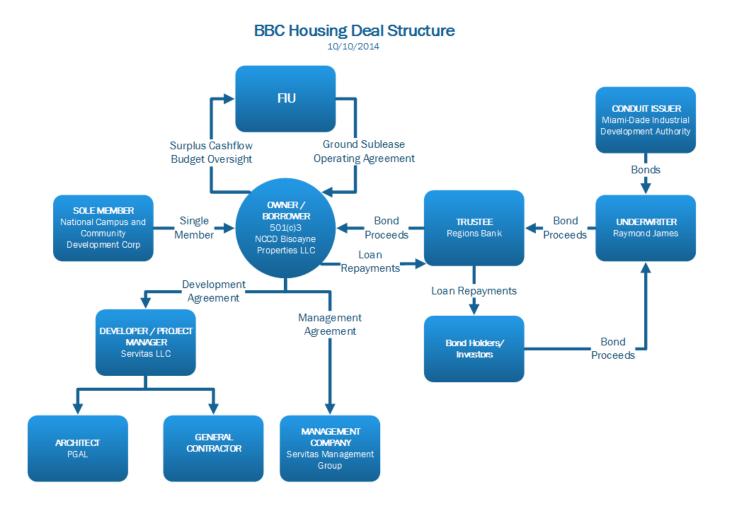
Site Detail



View from the Northwest



Appendix C - Proposed project Structure



Supplemental Supporting Documentation

GROUND SUBLEASE

SUMMARY OF TERMS

Parties:	FIU, as Landlord, and NCCD-Biscayne Properties LLC, as Tenant. The sole member of Tenant is National Campus and Community Development Corporation, a tax-exempt entity.
Subleased Premises:	Approximately 2.12 acres on the FIU BBC Campus generally located between existing academic facilities and Kovens Conference Center.
Project:	Tenant is obligated to construct and operate the Series 2014 Project, pursuant to FIU's design and construction standards and plans and specifications approved by FIU.
Term:	40 Years, no automatic renewals / extensions.
Rent/Revenue to FIU:	All revenues generated by the Series 2014 Project in excess of debt service, operating costs, capital reserves and management fees are paid to FIU as rent; rent is estimated to be +/- \$137 million over 40 years with an estimated net present value of \$30 million discounted at 6%. The annual value varies per year, increasing to approximately \$10.7 million at the end of the term. FIU's rent figure assumes the Project has a 95% academic term occupancy and the rental rates are increasing annually by 3%.
Permitted Use/	
Eligible Tenants:	Student housing. The following categories of occupants are eligible to rent housing units in the facility, in order of priority:
	 FIU students Full-time faculty Visiting faculty Full-time staff approved by FIU Sponsored programs approved by FIU Students enrolled at other institutions of higher education which have an affiliation or cooperation agreement or an arrangement approved in writing by FIU Note: Leasing activities must comply with IRS private use rules to avoid loss of tax-exempt status of bonds.
	1

The Florida International University Board of Trustees Finance and Audit Committee November 17, 2014

Insurance:	Appropriate property and general liability insurance must be carried by the Tenant.
Maintenance:	Tenant is obligated to maintain, repair and make replacements as needed to keep the project in good working order and condition. Annual condition assessment to be conducted by Tenant and FIU representative.
Leasehold Mortgages:	Tenant may grant leasehold mortgages in the subleased premises and project.
FIU Purchase Option:	FIU has the right to acquire the project at fair market value.
University Reserved Space:	Reserve approximately 3,760 net square feet in the Series 2014 Project for FIU's use and benefit.
No Sale/Assignment:	None without prior written consent of FIU.
Guaranty:	None. The obligations of NCCD-Biscayne are strictly limited to the project and project's revenues.

OPERATING AGREEMENT

SUMMARY

- Parties: FIU and NCCD-Biscayne Properties LLC (Owner). The sole member of Owner is National Campus and Community Development Corporation, a tax-exempt entity.
- Objective: Establish detailed standards for the operation, management, and maintenance of the Series 2014 Project to implement the general requirements in the Ground Sublease and establish operating protocols for areas in which FIU and the Owner will interface throughout the term, including, campus security, parking, utility service and physical plant.

Term: 40 years; co-terminus with the Ground Sublease.

Advisory Committee: Requires creation of an Advisory Committee made up of representatives appointed by the Manager, the Owner and FIU. The Advisory Committee will have approval rights over the budget (including rental rates), the marketing plan and the operating plan. If the Advisory Committee does not agree on a budget for a particular year, the budget for that year will be the prior year's budget plus a CPI adjustment.

Specific Standards:

- Must be operated, managed and maintained in accordance with the standards and practices of first class operators that operate and manage student housing facilities similar to the Series 2014 Project on behalf of institutional lessors.
- Requires annual facility condition assessment.
- Requires compliance with applicable rules, regulations, standards, and policies of FIU, including its Residence Life Program.
- Establishes minimum ratio of resident assistants to residents.
- Requires timely resolution of resident complaints.
- Requires periodic surveys to evaluate resident satisfaction.
- Establishes security protocols and requirements.
- Requires FIU review and approval of the rental program policies and procedures.
- Requires referral of misconduct to FIU's Student Conduct Office.

Non-Compete/ Additional Beds Test:

FIU may not construct additional housing at BBC unless debt service coverage ratio of 1.2 times has been met with respect to the debt incurred by the Owner to finance the Series 2014 Project for the immediately prior two fiscal years and an outside consultant can show that the debt service coverage ratio is projected to be met for two years after any new housing is operational. The Florida International University Board of Trustees Finance and Audit Committee November 17, 2014

- Utilities
 The University agrees to provide utilities for the Project and to subordinate the re-payment of the utility costs to other Operating Expenses (except the portion of the management fee subordinated as described in the Summary of the Property Management and Residential Life Agreement) and Debt Service. Repayments that are not made in any fiscal year will accrue in successive fiscal years until fully repaid which will have the effect of reducing the rent payable to the University.
 Billing
 The University agrees to receive rental payments from third party providers of loans or other financial assistance on behalf of student
 - residents and remit those amounts to the Trustee in accordance with a predefined remittance schedule. Students paying their total semester financial obligations will also be able to include the housing in their checks to the University which will be forwarded to the Trustee.

DEVELOPMENT AGREEMENT SUMMARY OF TERMS

- Parties are NCCD Biscayne Properties LLC ("Owner") and Servitas, LLC ("Developer")
- Owner engages the Developer for the development, design, construction and equipping of the Project, 410 beds to be substantially complete by July 15, 2016 and available for occupancy by Eligible Residents by August 1, 2016.
- Developer will design the Project in accordance with all applicable codes and plans and specifications approved by University. Developer will engage an architect for such purpose. All permits will be obtained by Developer.
- Developer will engage a general contractor to construct the project on a guaranteed maximum price basis. All contractors and subcontractors require Owner approval. All change orders involving a change in cost require Owner approval.
- The Project is to be completed on the dates provided above, subject to excusable delays. In the event Developer does not complete the Project by such dates, regardless of excusable delays, Developer shall pay Owner for temporary housing of Eligible Residents, including transportation.
- Developer will be paid a developer's fee for its services as specified in the Sources and Uses Table. The Developer's fee shall be paid (1) thirty-five percent (35%) at Bond Closing, and (2) sixty-five percent (65%) in equal monthly installments between Bond Closing and Substantial Completion of the Project.
- Developer is at risk for all cost overruns on the design and construction of the Project, with the exception of changes requested by the University.
- A Developer's Contingency of \$1,775,000 will be established for Developer to resolve unforeseen issues with the Project which may include unforeseen conditions and delays. Any unused portion of the Developer's Contingency upon completion of the Project will be paid to Developer.
- Each month, Developer will submit to Owner a Request for Payment requesting payment for completed work (less prior payments) pursuant to an agreed Schedule of Values. Each Request for Payment shall include a certification from Developer that no liens are outstanding on the Project with respect to the work. Developer will also submit a monthly progress report describing the aspects of the work that have been commenced and the status thereof.
- Developer shall provide a 1 year warranty on all work.

PROPERTY MANAGEMENT AND RESIDENTIAL LIFE AGREEMENT SUMMARY OF TERMS

- Parties are NCCD Biscayne Properties LLC ("Owner") and Servitas Management Group, LLC ("Manager").
- Owner appoints the Manager to manage and lease the Project. Manager uses standard lease forms approved by FIU and the Owner.
- Manager is responsible for ensuring the Project achieves the Debt Service Coverage Ratio of 1.2 times required by the Bond Indenture and meets the performance standards for a high quality living/learning community as specified by FIU in the FIU/Owner Operating Agreement.
- In accordance with the Sublease and FIU/Owner Operating Agreement, the rooms will be leased to FIU students as a first priority, and, if space remains available, to the following in order of priority: regular full time faculty, visiting faculty, FIU approved staff, FIU approved groups and entities and enrolled students of other institutions of higher education with which FIU has an affiliation or other agreement.
- Manager must implement all FIU regulations and policies applicable to the University's campus, including the student code of conduct, no firearms policy, no smoking policy and the alcohol use policy and handle any resident complaints pursuant to the FIU/Owner Operating Agreement.
- The Manager is required to comply with all other terms of the Sublease and the Operating Agreements as well as all other documents of the Owner as the borrower.
- The initial term is 4.5 years (3 years following substantial completion of the project) subject to termination by either party at the end of the initial term with 90 days' notice; or pursuant to the Bond Indenture (such as the occurrence of an event of default); or by the Owner after 3 years upon 180 days' notice; or by Manager upon 60 days' notice; or upon a sale of the Project.
- The management fee is a fixed amount through substantial completion of the Project and then, for the initial term, converts to a combination of variable and fixed compensation as shown on the Operating Revenues and Expenses statement.
- 75% of the annual management fee is subject to compliance with the Project meeting a debt service coverage ratio of 1.2 times and is subordinate to the repayment of utility costs
- 25% of the annual management fee is paid monthly.
- The Agreement will provide for the formation of an Advisory Committee made up of representatives appointed by the Manager, the Owner and FIU. The Advisory Committee will have approval rights over the budget (including rental rates), the marketing plan and the operating plan. If the Advisory Committee does

not agree on a budget for a particular year, the budget for that year will be the prior year's budget plus a CPI adjustment.

- The Manager enters into appropriate service contracts, maintains and repairs the Project pursuant to the Budget (including capital expenses) and the FIU/Owner Operating Agreement, collects and remits the revenues and pays expenses of the operation of the Project.
- The Manager must maintain adequate records and submit monthly reports to the Owner and FIU on leasing, income, operating expenses and similar data. Annually, the Manager must submit a profit and loss statement.
- There are standard provisions for termination of the Agreement in the event of a default by either the Manager or the Owner.
- The Agreement is not assignable by the Manager without the consent of the Owner.

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Study conducted by Alvarez & Marsal, LLC, dated April 24, 2014

Methodology

Study presented analysis of the Miami-Fort Lauderdale-Pompano Beach, Florida Metropolitan Statistical Area (MSA), the City of North Miami, FIU-BBC, A&M's analysis of unit mix and unit pricing and the potential demand for student housing at the BBC Campus.

A&M relied on a student housing survey conducted by Servitas in March 2014 which received a total of 219 completed responses from student who take the majority of their classes at FIU-BBC. This sample represents 5.9% of the student population that take the majority of their classes at BBC.

Demand

Primary demand:Students who take more than 50% of their classes at BBCSupplemental demand:Students who take 50% or fewer of their classes at BBC

	Primary	Supplemental
	Demand	Demand
Demand considering Indicated Housing	1,137	902
Budgets		
(rates respondents are willing to pay)		
Demand considering Current Housing Budgets	412	276
(rate respondents are currently paying)		

Unit Mix

Unit demand assessment	Type	Units	Beds	Servitas Current Academic Year	Servitas Current 12-mo Lease
	Type	Cinto	Deus	I cui	Leuse
Demand may be overstated for 4/2's since BBC has fewer than average single full-time freshmen who typically prefer these units	4Bed/2Bath	80	320	\$959	\$799
Demand may be unmet for	2Bed/2Bath	128	256	\$1,079	\$899
additional 2/2 units given the					
more mature student demographics					
Demand may be unmet for	Studio	40	40	\$1,103	\$919
additional studio units given the					
more mature student					
demographics					

^{*} Structure in conformance with IRS private letter rulings

Rents

Proposed Rents are expected to be higher than current MMC and BBC on-campus housing prices and higher than the average rent survey respondents would pay. The average rent students are willing to pay (Indicated Budgets) may be skewed downward since respondents are basing their opinion on experiences with existing (older) housing options.

Students indicate a willingness to increase their housing budget for a modern, fully-furnished student housing development on FIU – BBC.

Using Current Housing Budgets likely understates demand and is not considered to be a true indication of the rental rates that could be achieved at the subject property which will be a new, modern, student oriented housing development.

Enrollment at BBC

	Headcount	
100% of classes at BBC	1,914	Duino ours
More than 50% of classes at BBC	1,770	Primary
50% or fewer classes at BBC	3,702	Supplemental
Total BBC Enrollment	7,386	

The University projects that enrolment will remain flat in the near term, therefore the following are vitally important for the success of the Subject Property:

- Concentrate enrollment efforts on traditional college students who live outside of the Miami metro area (single, undergraduate students between the ages of 18 to 24, they have a higher propensity to live on campus
- Recruit out-of-state and international students to FIU-BBC, as they are ideal candidates for on-campus living.
- Ensure that FIU-BBC institutes and maintains viable degree programs.

Market Overview

The Metropolitan Statistical Area (MSA) total labor force was 2,977,480 with an unemployment rate of 6.2% or 200 basis points, according to the Bureau of Labor Statistics in January 2014.

The MSA's economic strengths include strong ties to Latin America, luxury status attracts international capital, international trade poised to accelerate, well-developed shipping and distribution infrastructure. The weakness in the MSA economy is the high household debt burden, congested roads and airport, industrial structure that leaves economy susceptible to business cycle downturns.

The City of North Miami is the fourth largest city in Miami-Dade County. The city is located halfway between Miami and Fort Lauderdale and has good access to Broward and Miami-Dade goods and services and labor markets. There is also convenient access to Interstate 95, US 441, US1, the Florida

^{*} Structure in conformance with IRS private letter rulings

Turnpike, the Gratigny Expressway, the Miami International and Ft Lauderdale International Airports, Port Everglades, Port of Miami and the Florida Fast Coast Railway.

The historical data indicates that occupancy in multifamily submarket has been strong averaging 96.8% from 2000 to 2013. As of year-end 2013 occupancy for multifamily in North Miami was 97.2%. Average occupancy forecasted from 2014 through 2019 is 95.4%. Rent growth has averaged 3.5% since 2000.

The majority of the developments in the pipeline are conventional projects and not in proximity to the BBC campus. These developments are not likely to appeal to a significant number of FIU-BBC students.

Growth in North Miami is higher than the county and the State of Florida as whole. Population and household growth is projected to be strong over the next five years in all geographic areas with the highest growth in the one mile ring. The one mile ring has the youngest residents (ages 15-24) consisting of 20.5% of the population. This is further indication of the relative percentage of college-aged student in the one mile ring.

* Structure in conformance with IRS private letter rulings

Miami-Dade County Industrial Development Authority Industrial Development Revenue Bonds (NCCD-Biscayne Bay Properties LLC Project) Series 2015 A & B

Term Sheet

Issuer:	Miami-Dade County Industrial Development Authority
Borrower:	NCCD-Biscayne Bay Properties LLC, a single member Tennessee limited liability company whose sole member is National Campus and Community Development Corporation, a Texas 501(c)-3 not- for-profit corporation.
Developer:	Servitas LLC, Irving Texas
Manager:	Servitas Management Group, LLC, Irving, Texas
Project Site:	The Project is to be built on the Biscayne Bay Campus of Florida International University, North Miami, Florida.
Use of Proceeds:	Proceeds will be used to (i) construct a 410 bedroom student housing facility; (ii) fund a debt service reserve fund; (iii) fund a capitalized interest fund; (iv) pay the costs of issuing the Bonds; and (v) fund predevelopment costs.
The University:	The Project will be for the primary benefit of students of Florida International University (the " <i>University</i> ").
Closing Date:	February 25, 2015 (preliminary, subject to change)
Proposed Sale Date:	February 11, 2015 (preliminary, subject to change)
Approximate Project Cost:	\$48,265,000 (preliminary, subject to change).
Approximate Par Amount:	\$56,420,000 Series A Bonds (preliminary, subject to change). \$80,000 Series B Bonds (Taxable) (preliminary, subject to change).
Term:	34 years
Payment Dates:	Series A and B Bonds: Interest will be payable semi-annually on each June 1 and December 1, beginning on June 1, 2015. Principal and sinking fund installments will be payable annually on each June 1, beginning on June 1, 2017.
Rating:	Series A & B Bonds: Baa3 by Moody's Investors Service.

Type of Sale:	Series A & B Bonds: Public offering through negotiated sale method. Underwriter for the financing will be Raymond James & Associates, Inc.
Minimum Denominations:	Series A & B: \$5,000 minimum denominations and in book-entry form.
Construction Period:	February 2015 through July 2016
Capitalized Interest:	Through January 1, 2017 for the Series A and B Bonds.
Ground Lease:	The Borrower will enter into a ground sublease with the University for the property on which the Project will be built.
Operating Agreement:	The University will enter into an Operating Agreement with the Borrower. The Operating Agreement will include provisions that provide tests for the University to meet in order to build additional housing. The University agrees to add new beds to the BBC campus only if the Project has had a 1.20 coverage ratio for the two years prior to adding new beds and the Project is projected to have a 1.20 coverage ratio for the two years following the addition of new beds on the BBC campus. The University will also agree in the Operating Agreement to provide utilities for the Project and to subordinate the re-payment of the utilities in accordance with the terms specified in the Operating Agreement. The University will then be reimbursed with excess cash flow from the Project.
Optional Redemption:	The Bonds will be subject to optional redemption in whole or in part on or after June 1 2025, at par.
Extraordinary Redemption:	The Bonds will be subject to extraordinary redemption, at par plus accrued interest to the redemption date from insurance or condemnation proceeds that are received with respect to damage, destruction, or condemnation of the Project. The Bonds are also subject to extraordinary redemption in the event of other unforeseen circumstances as described in the Trust Indenture.
Other Redemptions At Par:	The Bonds will also be subject to redemption, at par plus accrued interest to the redemption date from excess title insurance, net proceeds of sale of obsolete equipment, and excess construction proceeds.
Security for the Bonds:	The Series A & B will be special limited obligations of the Issuer, payable solely from the Pledged Revenues (gross revenues) and amounts in certain funds and accounts held by the Trustee under

the Indenture. A first leasehold mortgage to secure the obligations will be granted to the holders of the Series A and B Bonds. The Bonds are further secured during construction by a completion guaranty provided by the Developer and a Payment and Performance Bond provided by the General Contractor. The Series A & B Bonds, will not constitute a debt of the Issuer, the University, the State of Florida or any political subdivision or agency thereof. Neither the full faith and credit nor the taxing power of the Issuer, the University, the State of Florida or any political subdivision or agency thereof will be pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Funds and Flow of Funds: *Bond Fund* – will require monthly payments of principal and interest and will be used to pay Bondholders.

Operating Account – the amount budgeted for operating expenses for the next succeeding month will be deposited in the Operating Account to pay ongoing expenses of the project.

Debt Service Reserve Fund – the Debt Service Reserve Fund Requirement will be equal to the lesser of (i) maximum annual debt service on the Series A Bonds, (ii) 10% of the principal amount of the Series A Bonds, or (iii) 125% of average annual debt service on the Series A Bonds. Such moneys may be withdrawn by the Trustee to pay the principal of, and interest and premium, if any, on the Series A Bonds and on any Additional Bonds that are tax-exempt to the extent that there are insufficient funds in the Bond Fund and the Redemption Fund on the date such interest, principal and premium is due.

Repair and Replacement Fund – to be funded monthly from payments made by the Borrower from operating revenues of the Project. The payments into this fund will initially be funded at the rate of \$185 per bed and increased annually at a rate of 3.0%

Capitalized Interest – to be funded from bond proceeds to provide for required interest payments during construction of the Project plus an additional 6 months.

Surplus Fund – proceeds from operations after payments of debt service, all operating expenses and funding of all required reserve payments. After all payments have been made and a calculation of the fixed charges coverage ratio have been made certifying that the coverage is in excess of 1.20, the surplus fund will be transferred to the University. If the coverage is below 1.20, but there are funds

	available in the Surplus Fund, they will be released to reimburse the University for Utility Expenses paid during the prior fiscal year.
Covenants:	<i>Rate Covenant</i> – Commencing in the first full year of occupancy, the Borrower must charge rents sufficient to maintain a 1.20 annual fixed charges coverage ratio on the Series A and B Bonds, as calculated and certified by the annual audit.
	<i>Annual Budget</i> – The Manager, on behalf of the Borrower and in consultation with, and with the approval of, the University will be required to prepare and file with the Trustee a budget (operating and capital) for each fiscal year. This budget is required to project a fixed charges coverage ratio of at least 1.20 annually.
	<i>Financial Reporting</i> – Annually an audited financial report on the facility will be filed with the Trustee within 120 days after the end of the fiscal year. All required notices will be filed with the Trustee on a timely basis.
Interest Cost:	Preliminary interest cost is estimated to be 4.83%

Sources & Uses

Sources of Funds	Tax-exempt	Taxable	Total
Par Amount of Bonds	\$56,420,000	\$80,000	\$56,500,000
Reoffering Premium	\$1,766,377	\$0	\$1,766,377
Total Sources	\$58,186,377	\$80,000	\$58,266,377
Uses of Funds	Tax-exempt	Taxable	Total
Total Underwriter's Discount	\$630,520	\$1,292	\$631,812
Costs of Issuance	\$518,688	\$65,735	\$584,423
Deposit to Debt Service Reserve Fund (DSRF)	\$3,675,250	\$0	\$3,675,250
Deposit to Capitalized Interest (CIF) Fund	\$5,134,391	\$5,171	\$5,139,562
Deposit to Construction Fund	\$48,227,528	\$7,802	\$48,235,330
Total Uses	\$58,186,377	\$80,000	\$58,266,377

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Florida Board of Governors Florida International University; Auxiliary - System; Public Coll/Univ -Unlimited Student Fees

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Table Of Contents

Rationale

Outlook

Enterprise Profile

Financial Profile

Related Criteria And Research

Florida Board of Governors Florida International University; Auxiliary -System; Public Coll/Univ - Unlimited Student Fees

Credit Profile		
Florida Board of Governors, Florid	a	
Florida Intl Univ, Florida		
Ser 2009A, Ser 2009B, Ser 2013A P	kg facility bonds	
Long Term Rating	AA-/Stable	Affirmed
Ser 2012 Student Apartments Bond	ls	
Long Term Rating	A/Stable	Affirmed
Florida St Brd of Ed, Florida		
Florida Intl Univ, Florida		
Ser 2011 Student Apartments Refu	nding Bonds	
Long Term Rating	A/Stable	Affirmed

Rationale

Standard & Poor's Ratings Services affirmed its 'AA-' long-term rating on Florida Board of Governor's parking facility revenue bonds, issued for Florida International University (FIU). At the same time, Standard & Poor's affirmed its 'A' long-term rating on FIU's dormitory revenue bonds currently outstanding. The outlook on all ratings is stable.

The 'A' long-term rating on FIU's dormitory revenue bonds is differentiated from the 'AA-' long-term rating on the university's parking-facility bonds due to a pledge of housing system net revenues that we view as narrower than the pledge supporting the parking-facility bonds, which we view as equivalent to an unlimited student fee pledge.

The rating reflects our view of FIU's stable demand profile, the strong demand for the parking system, history of surplus operations, and the housing system's solid occupancy levels and adequate maximum annual debt service (MADS) coverage. The university, specifically, and higher education in Florida generally, has withstood multiple years of declining state operating and capital appropriations; substantial one-time cuts; and declines in federal funding and grant revenues. Despite these factors and based on current funding trends and restoration of the one-time cuts in fiscal 2014, it is our opinion that the university will continue to experience positive operations.

The 'AA-' rating on the parking-facility bonds, which we view as equivalent to an unlimited student-fee pledge, reflects our assessment of FIU's:

• Requirement of all on-campus students to pay a parking and transportation access fee as a part of registration for classes, and a pledge of parking system revenues, which is a broad pledge that we consider to be equivalent to an unlimited student fee pledge;

Florida Board of Governors Florida International University; Auxiliary - System; Public Coll/Univ - Unlimited Student Fees

- The parking system's strong demand and history of surplus operations, which has resulted in adequate historical debt service coverage;
- Strong university demand and enrollment trends as demonstrated by a fall 2013 headcount of 52,980, a 31% increase in enrollment since fall 2009, and the university's highest enrollment in history; and
- History of university operating surpluses on a full-accrual basis, including an operating surplus of \$17.2 million in fiscal 2013 and management's expectation of another year of surplus operations in fiscal 2014.

The 'A' rating on the dormitory revenue bonds reflects the university's credit strength, as well as:

- A solid pledge of net housing system revenues and large housing system of 3,456 beds;
- The housing's system's adequate debt service coverage, with actual annual debt service coverage of 1.37x in fiscal 2013, although weaker, 1.22x coverage of MADS; and
- Continuing strong demand for on-campus housing as illustrated by an average occupancy rate of 95% over the past six years, as well as management's projections of strong occupancy in the future as the university aims to house more full-time students on campus.

Our view of the following offsetting credit factors constrain the ratings:

- Continued growth and capital pressures and
- The challenging future state-appropriation environment, which remains an important revenue stream, accounting for roughly 21% of fiscal 2013 operating revenues.

Outlook

The stable outlook reflects Standard & Poor's expectation that, during the next two years, FIU's housing system will continue to experience high levels of demand and at minimum, maintain current debt service coverage levels. The stable outlook also reflects our expectation that the university will continue to experience stable demand and enrollment trends and maintain financial resource ratios; we anticipate that any potential debt issuance will be commensurate with growth in financial resources.

In our opinion, a positive rating action on the university's housing system debt during the outlook period is unlikely. However, factors that could lead to such an action beyond the two-year period could include consistently stronger debt service coverage, at or above 2.0x, as well as consistently strong occupancy levels as the university adds additional beds.

A positive rating action on the university's unlimited student fee equivalent debt during the outlook period would require continued positive operating performance at the university level, as well as a strengthening of the university's financial resources while meeting its future capital needs.

Credit factors that could lead toward a negative rating action on the university's housing system debt during the outlook period could include significant decreases in debt service coverage. Credit factors that could lead toward a negative rating action on the university's unlimited student fee-equivalent debt during the outlook period could include negative operating performance and a weakening of the university's financial resources relative to the rating category, as well as stagnant enrollment growth.

In accordance with the application of our government-related entities (GRE) criteria, a change in Florida's rating will not affect FIU's rating.

Enterprise Profile

Demand and enrollment

FIU demonstrates continued enrollment growth, solid demand, and good student quality, in our opinion. As of fall 2013, total enrollment was 52,980, or 37,714 full-time equivalents (FTEs), 84% of whom are undergraduates. Over the past several years, enrollment has consistently increased moderately on a year-over-year basis. Transfer students continue to matriculate at over 4,000 annually, supported by strong articulation agreements across Florida higher education institutions. Graduate program enrollment has softened in the past two years with 7,721 students enrolled (5,994 FTE) in fall 2013. Management anticipates that overall enrollment will increase 3.5% in fall 2014 to 54,830 students.

Demand has fluctuated over the past few years; however, freshman applications were up 4.3% to 16,549 for fall 2013. Selectivity has improved, and matriculation has remained relatively stable at 43% and 42%, respectively. Fall 2013 student quality, as measured by the average entering class SAT score, remained solid, in our view, at 1150 and the average ACT score was 26 -- both above the national averages. The 2013-2014 academic year tuition and fees, while growing at a double-digit rate, remain reasonable, in our opinion, at \$6,506 for in-state residents as is out-of-state tuition at \$18,905. We understand that undergraduate tuition will not increase in fall 2014, but graduate in-state tuition will increase by 3%, and graduate out-of-state tuition will increase by 8.33%. Increased in-state tuition, as allowed by the state legislature, has been common across the state in response to declining appropriations.

Management

The Florida International University Board of Trustees is composed of 13 members: five appointed by the state board of governors, six appointed by Florida's governor, and student and faculty representation by the university's faculty senate chair and student government president. The board has experienced regular turnover. The university has had a few senior management changes since the time of our last review and reports normal board turnover. University officials report that there are no changes in senior management expected at this time. In our view, FIU's financial management practices remain adequate. Management was able to successfully absorb substantial state funding cuts in recent years through the use of internal reserves. We also regard the university's conservative debt issuance practices favorably given that almost all of its debt is self-supporting in nature. However, the university lacks robust formal budgeting practices -- a factor that we view unfavorably given the university's current and historical spending levels and potential to experience future large state funding cuts.

GRE profile

In accordance with our criteria for government-related entities (GREs), we based our view of a "moderate" likelihood of extraordinary government support on our assessment of Florida International University's "limited" link with the state government given the state's limited legal capacity and ability to provide extraordinary support in a timely manner. However, the provision and availability of higher education and its "important" role is reflected in its history of regular, ongoing operating and capital support and the state's policies governing tuition, debt issuance, and ability to

appoint the governing board. Given the university's "moderate" likelihood of support, the university's stand-alone credit profile of 'aa-' remains unaffected by the state rating.

Financial Profile

State appropriations

In our view, Florida has traditionally provided strong support for higher education, but economic conditions have resulted in state appropriation declines through fiscal 2013. The university's state appropriations declined by approximately 12% in fiscal 2013 and totaled \$174 million, due to state budgetary constraints. FIU is dependent on state support and receives the fifth-largest appropriation of any Florida public university; management reports that these funding cuts were offset with a one-time nonrecurring use of fund balances in fiscal 2013. However, the university indicates that it received \$191 million in fiscal 2014 and anticipates receiving \$215 million in fiscal 2015, \$25 million of which is allocated based on Florida's performance funding model according to management. Despite state funding cuts, operating performance resulted in a \$17.2 million operating surplus in fiscal 2013, and the university expects operations to be positive in fiscal 2014.

State funding of capital projects currently appears to be under greater pressure than operating appropriations. The state made major cuts to public education capital outlay (PECO) funding, eliminating funding at most universities throughout the state. FIU has continued to receive limited capital funding during the past two years with no PECO funding in fiscal 2013 and a very low \$5.7 million in fiscal 2014. Management reports that it anticipates receiving an additional \$22 million in fiscal 2015. It is our opinion that PECO will continue to have very limited capacity to bond new projects in the near term. While the university has experienced moderate enrollment growth, we will continue to focus on how FIU and all higher education institutions in the state will manage through a long-term shortfall in PECO-supported debt.

Financial operations

We consider FIU's financial operations solid despite limited state appropriations and a challenging economic climate. Fiscal 2013 resulted in an adjusted net operating surplus (including state appropriations, interest income, and federal financial aid) of approximately \$17.2 million. Management is projecting positive adjusted operating performance on a full-accrual basis in fiscal 2014, which we believe shows the strength and flexibility of the university's financial management. Overall, we consider university revenues to be diverse; in fiscal 2013 43% of total operating revenue came from student and auxiliary sources, 21% from state appropriations, 11% from grants and contracts, and the remainder from other support and investments. We believe that this diversity is a key credit strength of the university and that the composition of the university's revenue stream will remain stable.

FIU parking system

The Office of Parking and Transportation, a subdivision of the Office of the Chief Financial Officer and Senior Vice President of Administration, operates the FIU parking system. The parking system is a self-supporting auxiliary operation that does not receive state funding. The FIU parking system currently has 14,763 vehicle spaces on the university's two main campuses. Management indicated that demand for the parking system is currently very strong, and it expects demand to strengthen as enrollment continues to grow. The parking system's financial operations have been healthy with the consistent generation of pledged revenues. The parking system had pledged revenues of \$8.6 million for fiscal 2013, \$7.5 million for fiscal 2012, and \$7.7 million for fiscal 2011, and management estimates \$8.8 million in pledged revenue for fiscal 2014. A student transportation access fee and faculty and staff decal sales generate the majority (83%) of parking system revenues. All students are required to pay the parking and transportation access fee as a part of registration for classes, with the exception of distance learning students. Furthermore, faculty and staff are required to have a parking decal to park on campus. Parking citation fines and visitor parking generate the remaining 17% of revenues.

The parking system has provided adequate coverage of MADS, at 1.24x in fiscal 2013, 1.34x in fiscal 2012, and 1.39x in fiscal 2011. Management expects MADS coverage to total 1.28x in fiscal 2014 and remain above 1.20x for the foreseeable future. Management increased the fee by 10% with student support in fiscal 2012 and expects to hold the fee flat for the near term. The transportation fee for the 2013-2014 academic year is \$90.55, including tax per student per semester, and is included in tuition and fees.

The FIU housing system

The university operated seven residence halls across its two main campuses in fiscal 2013, with six of the dormitories located on the Modesto Maidique Campus. The seven residence halls offer a combined capacity of 3,456 beds. Currently, 11% of full-time students reside on campus, and management indicates that its goal is to have 20% of its full-time undergraduate students housed on campus by 2020.

The housing system continues to perform well financially, with the consistent generation of pledged revenue. The housing system had pledged revenue of \$11.8 million for fiscal 2013, \$11.0 million for fiscal 2012, and \$12.1 million for fiscal 2011, and management estimates pledged revenue of \$14.4 million for fiscal 2014.

The housing system has provided adequate coverage of MADS, at 1.22x in fiscal 2013, 1.14x in fiscal 2012, and 1.70x in fiscal 2011. Management expects MADS coverage to total 1.48x in fiscal 2014 and remain above 1.20x for the foreseeable future. We view current MADS coverage as adequate but would view increased coverage to levels of 2.0x or higher favorably.

Financial resources

We believe FIU has an adequate balance sheet for the rating category, with adjusted unrestricted net assets of approximately \$182 million (including debt service reserve funds) as of June 30, 2013 representing 23% of operations and 117% of total debt. Cash and investments totaled \$515 million in fiscal 2013, which equated to 64% of operations and 325% of total debt. When including an anticipated \$82 million in nonrecourse debt for housing on the Biscayne Bay campus, these ratios weaken slightly. Adjusted unrestricted net assets then equal 77% of total debt, and cash and investments equal 214% of total debt. It is our opinion that adjusted unrestricted net asset ratios are solid for the category when including the additional debt compared to the fiscal 2013 'AA' category median of 88.3%.

As of June 30, 2013, the university's endowment, held by the Florida International University Foundation Inc., is estimated at \$172 million, \$3.6 million of which is unrestricted.

Florida Board of Governors Florida International University; Auxiliary - System; Public Coll/Univ - Unlimited Student Fees

Debt and contingent liabilities

At June 30, 2013, total debt outstanding was \$159 million, including \$47 million of FIU parking facility revenue bonds, secured by parking revenues, which we view as an unlimited student fee, and roughly \$112 million of dormitory revenue debt, which we view as having a narrower pledge of revenues than the unlimited student-fee parking bonds. We understand that NCCD-Biscayne Properties, LLC (NCCD), through the Miami-Dade Industrial Development Authority, intends to issue approximately \$60 million in debt under a Public-Private Partnership with FIU to build approximately 410 replacement and new housing units on the FIU Biscayne Bay campus. At this time, the anticipated issuance of approximately \$60 million in housing debt by NCCD does not affect our view of the university's outstanding ratings due to the anticipated self-supporting nature of the housing project. The NCCD debt is nonrecourse debt to the university as there are no financial guarantees or support agreements by the university. While not a legal debt of the university, we will consider NCCD's approximately \$60 million bond issuance in our debt calculations for the university as we view this debt as indirect debt of the university due to its connectivity to FIU's operations and mission. A second series of bonds may be issued in the next two to three years to provide an additional 208 beds depending upon the market demand for additional housing on the Biscayne Bay campus. Management reports that it has no additional debt plans outside of this project at this time. While the university continues to have substantial capital needs, it anticipates funding key near-term needs from state funds (other than PECO funds), internal reserves, or private funds.

The university, through its subsidiaries, has two swaps in its portfolio. The first swap, with a total notional value of \$21 million, is with Regions Bank (BBB/Positive/A-2) and the second swap, with a total notional value of \$3.4 million, is with SunTrust Inc. (BBB/Positive/A-2). Both swaps are structured as floating-to-fixed rate.

		Fiscal y	Medians			
	2014	2013	2012	2011	2010	Public colleges and universities 'AA' 2012
Enrollment and demand						
Headcount	52,980	50,394	47,966	44,010	40,455	33,548
Full-time equivalent	37,714	35,604	34,089	31,464	29,012	29,024
Freshman acceptance rate (%)	43.0	40.5	39.4	39.5	35.0	67.8
Freshman matriculation rate (%)	42.0	41.1	39.8	39.3	36.0	38.8
Undergraduates as a % of total enrollment (%)	83.8	82.7	81.8	80.9	80.4	76.6
Freshman retention (%)	84.0	82.0	82.0	83.0	82.0	85.0
Graduation rates (five years) (%)	44.0	40.0	37.0	32.0	35.0	60.5
Income statement						
Adjusted operating revenue (\$000s)	N.A.	824,424	772,999	799,965	698,191	MNR
Adjusted operating expense (\$000s)	N.A.	807,193	767,875	718,345	648,469	MNR
Change in net income before capital (\$000s)	N.A.	27,731	-14,093	81,606	49,940	MNR
Estimated operating gain/loss before depreciation (\$000s)	N.A.	56,817	43,782	120,391	86,404	MNF
Change in unrestricted net assets (UNA; \$000s)	N.A.	(15,160)	(21,017)	27,282	33,290	MNR

Florida Board of Governors Florida International University; Auxiliary - System; Public Coll/Univ - Unlimited Student Fees

Florida International University ((cont.)					
State operating appropriations (\$000s)	N.A.	173,819	195,098	228,576	218,250	MNR
State appropriations to revenue (%)	N.A.	21.1	25.2	28.6	31.3	21.1
Student dependence (%)	N.A.	42.8	40.8	34.6	35.2	MNR
Health care operations dependence (%)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Research dependence (%)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Endowment and investment income dependence (%)	N.A.	4.2	0.9	6.3	5.1	MNR
Debt						
Outstanding debt (\$000s)	N.A.	158,683	166,127	125,067	132,110	669,329
Proposed debt (\$000s)	N.A.	N.A.	47,290	48,200	N.A.	MNR
Total pro forma debt (\$000s)	N.A.	158,683	197,512	170,600	132,110	MNR
Pro forma MADS	N.A.	N.A.	18,276	N.A.	N.A.	MNR
Current debt service burden (%)	N.A.	N.A.	N.A.	1.89	N.A.	4.00
Current MADS burden (%)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Pro forma MADS burden (%)	N.A.	N.A.	2.38	N.A.	N.A.	MNR
Financial resource ratios						
Endowment market value (\$000s)	N.A.	N.A.	N.A.	126,500	119,502	495,400
Related foundation market value (\$000s)	N.A.	N.A.	N.A.	N.A.	N.A.	538,842
Cash and investments (\$000s)	N.A.	515,043	527,924	477,755	401,327	MNR
UNA (\$000s)	N.A.	182,317	197,477	218,494	191,212	MNR
Adjusted UNA (\$000s)	N.A.	182,317	197,477	218,494	191,212	MNR
Cash and investments to operations (%)	N.A.	63.8	68.8	66.5	61.9	68.8
Cash and investments to debt (%)	N.A.	324.6	317.8	382.0	303.8	172.2
Cash and investments to pro forma debt (%)	N.A.	324.6	267.3	280.0	303.8	MNR
Unrestricted net assets to operations (%)	N.A.	22.6	25.7	30.4	29.5	MNR
Adjusted UNA plus debt service reserve to debt (%)	N.A.	116.7	120.4	177.0	144.7	91.8
Adjusted UNA plus debt service reserve to pro forma debt (%)	N.A.	116.7	101.3	129.8	144.7	MNF
Average age of plant (years)	N.A.	10.3	9.8	10.9	10.6	12.0
OPEB liability to total liabilities (%)	N.A.	7.0	4.5	3.0	2.0	MNF

Total adjusted operating revenue = unrestricted revenue less realized and unrealized gains/losses and financial aid. Total adjusted operating expense = unrestricted expense plus financial aid expense. Net operating margin = 100*(net adjusted operating income/adjusted operating expense). Tuition dependence = 100*(gross tuition revenue/adjusted operating revenue). Current debt service burden = 100*(current debt service expense/adjusted operating expenses). Current MADS burden = 100*(maximum annual debt service expense/adjusted operating expenses). Cash and investments = cash + short-term & long-term investments. Expendable resources = unrestricted net assets + temp. restricted net assets - (net PPE- outstanding debt). Average age of plant = accumulated depreciation/depreciation & amortization expense. MADS—Maximum annual debt service. MNR -- Median not reported. N.A.—Not available. UNA--Unrestricted net assets.

Related Criteria And Research

Related Criteria

- USPF Criteria: Higher Education, June 19, 2007
- USPF Criteria: Contingent Liquidity Risks, March 5, 2012

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MOODY'S INVESTORS SERVICE

New Issue: Moody's assigns Baa3 rating to Miami-Dade County Industrial Development Authority Industrial Development Revenue Bonds, Series 2014A and 2014B (Federally Taxable); Outlook is stable

Global Credit Research - 24 Sep 2014

Approximately \$57.1 million of aggregate debt affected

NCCD-BISCAYNE PROPERTIES LLC, TX Privatized Student Housing TX

 Moody's Rating
 RATING

 ISSUE
 Industrial Development Revenue Bonds (NCCD - Biscayne Properties LLC Project) Series 2014 A & B
 Baa3

 Sale Amount
 \$57,130,000
 Baa3

 Expected Sale Date
 10/01/14
 Expected Sale Date

 Rating Description
 Revenue: Other
 Expected Sale Date

Moody's Outlook STA

Opinion

NEW YORK, September 24, 2014 --Moody's Investors Service has assigned a Baa3 rating to the Miami-Dade County Industrial Development Authority Industrial Development Revenue Bonds, Series 2014A (NCCD - Biscayne Properties LLC Project)) and Series 2014B (Federally Taxable). This rating assignment affects approximately \$57.1 million of aggregate debt. The rating outlook on both series of bonds is stable.

RATING RATIONALE

The Baa3 rating is based on the relationship of the project and the University, sound legal provisions, favorable financial projections, as well as the project's on-campus location and the expected superior amenities. The Series 2014A and Series 2014B bond proceeds will be used by NCCD - Biscayne Properties LLC (NCCD) to construct and furnish 410 beds for students at the Biscayne Bay Campus (BBC) of Florida International University (Project). The Project is scheduled to be delivered in time for the fall 2016 semester.

CREDIT STRENGTHS:

-- The Project will be centrally located on the BBC campus of the University, and all beds will be replacement housing

--Once completed, the Project will be the only student housing available at BBC

--University's support for the Project, evidenced by the subordination of payment of the utilities and, for students receiving financial aid, the University's agreement to have the rental payments pass through the University and onto the trustee

CREDIT CHALLENGES:

- -- Construction risk, mitigated by sufficiently-funded capitalized interest
- -- Limited number of students taking 100% of classes at BBC and flat enrollment growth at BBC since 2009
- -- No on-campus housing at BBC for the 2014 and 2015 academic years, leading to possible negative impact on

future enrollment

--The University is not legally obligated to make debt service payments on the bonds

DETAILED CREDIT DISCUSSION

NCCD, the owner of the Project, is a tax-exempt 501(c)(3) non-profit organization, formed exclusively to own the Project. NCCD will enter into development and management agreements with Servitas LLC and Servitas Management Group, respectively. The Series 2014A and Series 2014B bonds will be secured solely by revenue from the Project.

The University carries a Aa3 rating with a stable outlook on outstanding parking and housing bonds. The developer for the Project is Servitas, LLC which has developed over 10,000 on-campus student housing beds on thirty separate campuses. Servitas Management Group will act as a manager of the Project under the Property Management and Residential Life Agreement.

SUPPORT FOR THE PROJECT FROM THE UNIVERSITY IS AN IMPORTANT RATING CREDIT FACTOR

The University is a public research university offering over 200 undergraduate and graduate degree programs and is part of the State University System of Florida. As of the Fall 2013 semester, the University enrolled 7,386 students at BBC.

While the University is not legally obligated to make debt service payments on the Series 2014A or the parity Series 2014B bonds, Moody's considered the University's support of this Project in assigning a Baa3 rating. Such support is evident by the University's processing of the rental payments through its Housing Office and, for students receiving financial aid, the University's agreement to have the rental payments pass through the University and onto the trustee; the subordination of utility payments; the University's inclusion of the Project in the housing marketing materials provided to students and prospective students and advertising the Project on the University's website; and the University's agreement not to undertake or sponsor the construction of additional student housing developments on the BBC campus unless certain conditions are met.

SUFFICENT DEMAND EXPECTED AS THE PROJECT PROVIDES THE ONLY ON-CAMPUS HOUSING WITH A CENTRAL LOCATION

The Project will consist of one nine-story building with 410 beds expected to be completed by July 2016. The housing will be replacement housing as BBC's only housing facility, configured for 274 beds, was taken offline after the Spring 2014 semester and leased to RCL Productions, LLC, a unit of Royal Caribbean Cruises Limited, to accommodate Royal Caribbean's personnel exclusively and will no longer house University students.

The new facility is expected to be more attractive in terms of the layout, amenities, and overall condition than the BBC's previous facility. The occupancy averaged 82% over the last four semesters at the prior facility. Moody's views the expected demand for the Project as adequate due to the fact that the Project serves as replacement housing and there is an expected demand from the estimated 800 students that take 50% or more of their classes at BBC.

STRONG PRO FORMA PROJECTIONS DEMONSTRATE SUFFICIENT PROJECT REVENUES TO PAY DEBT SERVICE ON THE PARITY SERIES 2014A AND SERIES 2014B BONDS

Moody's reviewed various pro forma projections to assess sufficiency of project revenues to pay debt service on the outstanding bonds until maturity. Assuming 3% growth in revenues and expenses and 13% vacancy, debt service on the bonds is projected to remain above 1.20x each year until maturity. Under a scenario of 0% growth in revenues and expenses and 13% vacancy, net operating income provides sufficient debt service coverage to support the Baa3 rating on the bonds.

Legal covenants for the Series 2014A and the Series 2014B bonds include provisions for a release test that has to be met prior to the release of any monies from the surplus fund to the University. The debt service reserve fund for the 2014 Series A bonds is sized at the maximum annual debt service and will be established at closing with bond proceeds. The Repair and Replacement Fund, initially equal to \$185 per bed, will be contributed to from Project funds in accordance with the Loan Agreement.

CONSTRUCTION RISK LARGELY UNMITIGATED

The construction risk for the Project is largely unmitigated as any outside credit support is absent during

construction. The primary mitigation to construction risk is the presence of surplus capitalized interest beyond the completion of the Project. The developer has incorporated additional time into the 20-month construction schedule to allow for unforeseen delays.

Outlook

The rating outlook on the parity Series 2014A and Series 2014B bonds is stable given the strong support for the Project from the University and adequate projected debt service coverage on the bonds.

What could change the rating - UP

--An upgrade is not likely in the near term given the construction risk and annual lease up risk of student housing. However, substantial and sustained increase in debt service coverage, coupled with consistently high occupancy at the Project and enrollment growth at the University, could result in a positive outlook in the future.

What could change the rating - DOWN

--Prolonged Project construction delays or failure to lease up at the expected rent levels

--Financial performance that is below the projections arising from decreased occupancy at the Project; lower-thanexpected rent levels, or higher-than-expected expenses.

The principal methodology used in this rating was Global Housing Projects published in July 2010. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

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For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

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PROGRAM

Unit Mix	Туре	Bed	Bath	NRSF	Units	Occupancy	Bedrooms	Beds	Total NRSF
42%	C1-4B/2B	4	2	1,041	64	Single	256	256	66,624
42%	B1- 2B/2B	2	2	623	64	Single	128	128	39,872
16%	A1-Studio	1	1	308	24	Single	24	24	7,392
1%	Staff	1	1	646	1	Single	1	1	646
1%	Staff	1	1	646	1	Single	1	1	646
0%						Single	0	0	0
TOTALS:					154		410	410	115,180

	Unit Mix & Opening Rent									
						FIU				
Туре	Per Bed	Semester	Summer	Semester	Semester	Summer	Yearly Rate*			
C1-4B/2B	11,770	4,290	3,190	3,900	3,900	2,900	10,700			
B1- 2B/2B	12,540	4,565	3,410	4,150	4,150	3,100	11,400			
A1-Studio	12,760	4,620	3,520	4,050	4,050	3,000	11,100			
Staff	12,760	4,620	3,520							
Staff	12,760	4,620	3,520							
0	-									
phted Averages:	12,073	4,397	3,280			10,943				

*This is the sum of the current fall and spring semesters plus the summer semester at current advertised rates

DEVELOPMENT COST

	Adjusted	2015	2016	Total
Total Hard Costs	35,500,000	22,107,367	13,392,633	35,500,000
Soft Costs				
A & E Fees	2,713,600	2,592,996	120,604	2,713,600
FF&E	3,224,435	-	3,224,435	3,224,435
Construction Administration	710,000	411,053	298,947	710,000
Program Management	2,459,290	1,912,781	546,509	2,459,290
Development Contingency	1,775,000	1,105,368	669,632	1,775,000
Total Soft Costs	10,882,325	6,022,198	4,860,127	10,882,325
Preclosing and Financing Costs				
Prepaid Lease	375,000			
Predevelopment Costs	721,325			
Permits, Inspections, and Fees	780,000			
Original Issue Discount (OID)	-			
Cost of Issuance - Bonds	584,375			
Total Underwriter's Discount	631,812			
Debt Service Reserve	3,675,250			
Capitalized Interest	5,139,562			
Total Preclosing and Financing Costs	11,907,324	11,907,324	-	11,907,324
Total Development Costs	58,289,649	40,036,889	18,252,760	58,289,649

PRECLOSING AND SOFT COSTS

Land Costs		Furniture, Fixtures, & Equipment	
Land Size (Acres):	0.00	Apartment Furniture	661,335
Land Cost:	-	Outdoor Furniture & Equipment	100,000
		TVs	123,200
		Electronics	92,400
Broker Commission:	-	Fitness	100,000
Other Land Cost	-	Model Unit Décor	25,000
Other Land Cost	-	Interior Decorating Fees	25,000
Other Land Cost	-	Interior Decorating Furn	585,000
		Signage	100,000
Total	-	Wiring/Internet/IT	600,000
		Chiller Plant	800,000
Predevelopment Costs		Office Supplies/Equipment	12,500
Travel	125,000		
Reimbursements/Fee	150,000	Total	3,224,435
Market Study	55,000	—	
Printing Costs	50,000	Architectural & Engineering	
Marking	15,000		
Office Lease	25,000	Design Architect	2,065,000
Survey	10,000	Basic Site Services	292,000
Environmental Assessment	10,000	CA for Phase I	157,000
Reprographics	5,000	Test Wells	10,000
Estimating	25,000	CA for Phase II	,
Accounting	10,000	Geotech/Survey	29,000
Legal	25,000	Reimbursibles	15,000
Office Equipment/Rentals	50,000	LEED/Green Globes	95,600
Title Insurance	166,325	Marketing Material	50,000
Total	721,325	Total	2,713,600
Permits, Inspections & Fees			
Building Permit (CSR)	680,000		
Water/Sewer Meter Fees			
Electric Meter Fee			
Schools Impact			
Parks Impact			
Permit Expeditor			
Inspections	50,000		
Testing	50,000		
Description	-		
Description	-		
Description	-		

Total

780,000

OPERATING REVENUES AND EXPENSES			2	2	A	-	C	-
Academic Year=		Project Year => Project Total	2 FY 2017	3 FY 2018	4 FY 2019	5 FY 2020	6 FY 2021	7 FY 2022
		Months In year Comments	11	12	12	12	12	1
Revenue	1							
Gross Potential Rent	1,006	/bed/mo	4,889,610	5,511,808	5,677,162	5,847,477	6,022,902	6,203,589
Parking Income	-	/space/mo	-	-	-	-	-	-
Other Income	8,000	/yr	7,780	8,721	8,982	9,252	9,529	9,815
Vacancy Rate			11%	13%	13%	13%	13%	13%
Vacancy			524,728	704,370	725,501	747,266	769,684	792,774
Net Rental Revenue			4,372,662	4,816,159	4,960,644	5,109,463	5,262,747	5,420,630
Operating Expenses								
Admin	14,016	/year	13,630	15,279	15,737	16,209	16,695	17,196
Marketing/Residential Life Programs	51,081	/year	49,675	55,682	57,352	59,073	60,845	62,670
Professional Services Fees	4,361	/year	4,241	4,753	4,896	5,043	5,194	5,350
Management Staff	176,768	/year	171,905	192,690	198,471	204,425	210,557	216,874
Community Assistants	-	/year	-	-	-	-	-	-
Cleaning/Decorarting/Turnover	99,364	/year	96,631	108,314	111,564	114,911	118,358	121,909
Insurance	155,734	/year	151,450	169,761	174,854	180,100	185,503	191,068
Property Management Fee	50,000	Fixed Fee	48,625	54,504	56,139	57,823	59,558	61,344
Total Operating Expense			536,157	600,983	619,012	637,583	656,710	676,412
Deposit Into Replacement Reserve Account	185	/bed/yr	73,763	82,682	85,163	87,718	90,349	93,060
Total Operating Expense & Reserves			609,920	683,665	704,175	725,300	747,059	769,471
Net Operating Income			3,762,742	4,132,494	4,256,469	4,384,163	4,515,688	4,651,159
Trustee/Moody's Fee	13,500	/year	13,129	14,716	15,157	15,612	16,081	16,563
IDA Fee	,	.,	25,832	27,948	27,658	27,310	26,893	26,400
Foundation Fee		1.0% of Net Rental Revenue	43,649	48,074	49,517	51,002	52,532	54,108
			3,680,133	4,041,756	4,164,137	4,290,239	4,420,183	4,554,087
Debt Service								
Senior Loan Debt Service	_		2,941,700	3,225,348	3,326,398	3,423,998	3,529,248	3,637,498
Debt Service Funded by Capitalized Interest Fund			1,634,325	-	-	-	-	-
Total Debt Service			1,307,375	3,225,348	3,326,398	3,423,998	3,529,248	3,637,498
Cashflow after Debt Service			2,372,758	816,409	837,740	866,241	890,935	916,590
Debt Service Coverage Ratio	Min->	1.25	2.81	1.25	1.25	1.25	1.25	1.25
	045 400	6.000	220 005		275 570	202.027	202 252	201 122
Utilities	245,436	/year	238,685	267,544	275,570	283,837	292,352	301,123
Property Management Fee	120,165	Fixed Fee plus % of NRR	107,188	120,148	123,752	127,465	131,289	135,228
Developer Reimbursement			170,000					
Subtotal			1,856,885	428,717	438,417	454,939	467,294	480,239
Summer Deficiency			108,948	- 136,704	- 141,595	- 145,001	- 149,674	- 154,433
Net Cash Flow to University		136,966,975	-	1,856,885	428,717	438,417	454,939	467,294
-		· · · · <u>-</u>						
Net Present Value of Cashflow after Debt Service	6.0%	29,154,085						

	ſ	Project Year =>	8	9	10	11	12	13	14
Academic Year=>	Factor	Project Total	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
		Months In year Comments	12	12	12	12	12	12	12
Revenue									
Gross Potential Rent	1,006	/bed/mo	6,389,696	6,581,387	6,778,829	6,982,194	7,191,659	7,407,409	7,629,632
Parking Income	-	/space/mo	-	-	-	-	-	-	-
Other Income	8,000	/yr	10,110	10,413	10,725	11,047	11,378	11,720	12,071
Vacancy Rate			13%	13%	13%	13%	13%	13%	13%
Vacancy			816,557	841,054	866,286	892,274	919,042	946,614	975,012
Net Rental Revenue			5,583,248	5,750,746	5,923,268	6,100,966	6,283,995	6,472,515	6,666,691
Operating Expenses									
Admin	14,016	/year	17,712	18,243	18,791	19,354	19,935	20,533	21,149
Marketing/Residential Life Programs	51,081	/year	64,550	66,487	68,481	70,536	72,652	74,832	77,076
Professional Services Fees	4,361	/year	5,510	5,676	5,846	6,021	6,202	6,388	6,580
Management Staff	176,768	/year	223,380	230,082	236,984	244,094	251,417	258,959	266,728
Community Assistants	-	/year	-	-	-	-	-	-	-
Cleaning/Decorarting/Turnover	99,364	/year	125,566	129,333	133,213	137,210	141,326	145,566	149,933
Insurance	155,734	/year	196,800	202,704	208,785	215,048	221,500	228,145	234,989
Property Management Fee	50,000	Fixed Fee	63,185	65,080	67,033	69,044	71,115	73,248	75,446
Total Operating Expense			696,704	717,605	739,133	761,307	784,146	807,671	831,901
Deposit Into Replacement Reserve Account	185	/bed/yr	95,851	98,727	101,689	104,739	107,881	111,118	114,451
Total Operating Expense & Reserves			792,555	816,332	840,822	866,046	892,028	918,789	946,352
Net Operating Income			4,790,693	4,934,414	5,082,446	5,234,920	5,391,967	5,553,726	5,720,338
Trustee/Moody's Fee	13,500	/year	17,060	17,572	18,099	18,642	19,201	19,777	20,370
IDA Fee	,	,	25,883	25,340	24,770	24,173	23,545	22,885	22,193
Foundation Fee		1.0% of Net Rental Revenue	55,731	57,403	59,125	60,899	62,726	64,608	66,546
			4,692,019	4,834,099	4,980,452	5,131,206	5,286,495	5,446,456	5,611,229
Debt Service									
Senior Loan Debt Service			3,638,248	3,636,498	3,637,248	3,635,248	3,635,498	3,637,748	3,636,748
Debt Service Funded by Capitalized Interest Fund			-	-	-	-	-	-	-
Total Debt Service			3,638,248	3,636,498	3,637,248	3,635,248	3,635,498	3,637,748	3,636,748
Cashflow after Debt Service			1,053,772	1,197,602	1,343,205	1,495,959	1,650,998	1,808,709	1,974,482
Debt Service Coverage Ratio	Min->	1.25	1.29	1.33	1.37	1.41	1.45	1.50	1.54
	045 400	(210 157	210 461	220.045	228.016	240.084		270 242
Utilities Broparty Management Fac	245,436	/year	310,157	319,461	329,045	338,916	349,084	359,556	370,343
Property Management Fee	120,165	Fixed Fee plus % of NRR	139,284	143,463	147,767	152,200	156,766	161,469	166,313
Developer Reimbursement									
						1 00 4 0 4 2			1,437,826
Subtotal			604,331	734,677	866,393	1,004,843	1,145,148	1,287,684	1,437,820
			-	-	-		1,145,148 - -	1,287,684 - -	-
Subtotal Summer Deficiency			604,331 131,645	734,677 - 41,127	866,393 	-	-	-	-
		136,966,975	-	-	-	-	-	-	-

	,	Project Year =>	15	16	17	18	19	20	21
Academic Year=>	Factor	Project Total	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
		Months In year Comments	12	12	12	12	12	12	1
Revenue									
Gross Potential Rent	1,006	/bed/mo	7,858,520	8,094,276	8,337,104	8,587,217	8,844,834	9,110,179	9,383,484
Parking Income	-	/space/mo	-	-	-	-	-	-	-
Other Income	8,000	/yr	12,433	12,806	13,191	13,586	13,994	14,414	14,846
Vacancy Rate			13%	13%	13%	13%	13%	13%	13%
Vacancy			1,004,263	1,034,390	1,065,422	1,097,385	1,130,306	1,164,216	1,199,142
Net Rental Revenue			6,866,691	7,072,692	7,284,873	7,503,419	7,728,522	7,960,377	8,199,189
Operating Expenses									
Admin	14,016	/year	21,784	22,437	23,110	23,803	24,518	25,253	26,011
Marketing/Residential Life Programs	51,081	/year	79,389	81,770	84,224	86,750	89,353	92,033	94,794
Professional Services Fees	4,361	/year	6,777	6,980	7,190	7,406	7,628	7,857	8,092
Management Staff	176,768	/year	274,730	282,972	291,461	300,205	309,211	318,487	328,042
Community Assistants	-	/year	-	-	-	-	-	-	-
Cleaning/Decorarting/Turnover	99,364	/year	154,431	159,063	163,835	168,750	173,813	179,027	184,398
Insurance	155,734	/year	242,039	249,300	256,779	264,483	272,417	280,590	289,007
Property Management Fee	50,000	Fixed Fee	77,709	80,041	82,442	84,915	87,462	90,086	92,789
Total Operating Expense			856,858	882,564	909,041	936,312	964,401	993,333	1,023,133
Deposit Into Replacement Reserve Account	185	/bed/yr	117,885	121,422	125,064	128,816	132,681	136,661	140,761
Total Operating Expense & Reserves			974,743	1,003,985	1,034,105	1,065,128	1,097,082	1,129,994	1,163,894
Net Operating Income			5,891,948	6,068,707	6,250,768	6,438,291	6,631,440	6,830,383	7,035,295
Trustee/Moody's Fee	13,500	/year	20,982	21,611	22,259	22,927	23,615	24,323	25,053
IDA Fee			21,465	20,703	19,903	19,060	18,178	17,250	16,275
Foundation Fee		1.0% of Net Rental Revenue	68,543	70,599	72,717	74,898	77,145	79,460	81,843
Debt Service			5,780,959	5,955,795	6,135,889	6,321,406	6,512,502	6,709,350	6,912,123
			2 627 400	2 624 749	2 (22 400	2 628 409	2 (24 240	2 625 000	2 620 240
Senior Loan Debt Service			3,637,498	3,634,748	3,633,498	3,638,498	3,634,248	3,635,998	3,638,248
Debt Service Funded by Capitalized Interest Fund Total Debt Service			-	-	-	-	-	-	-
Cashflow after Debt Service			3,637,498	3,634,748	3,633,498	3,638,498	3,634,248	3,635,998	3,638,248
	6 / 1	4.05	2,143,462	2,321,047	2,502,392	2,682,908	2,878,255	3,073,353	3,273,876
Debt Service Coverage Ratio	Min->	1.25	1.59	1.64	1.69	1.74	1.79	1.85	1.90
Utilities	245,436	/year	381,453	392,897	404,684	416,824	429,329	442,209	455,475
Property Management Fee	120,165	Fixed Fee plus % of NRR	171,302	176,441	181,735	187,187	192,802	198,586	204,544
Developer Reimbursement									
Subtotal			1,590,706	1,751,709	1,915,973	2,078,897	2,256,123	2,432,557	2,613,856
United and the second			-	-	-				
Summer Deficiency			-	-	-	-	-	-	-
Net Cash Flow to University		136,966,975	1,437,826	1,590,706	1,751,709	1,915,973	2,078,897	2,256,123	2,432,557
Net Present Value of Cashflow after Debt Service	6.0%	29,154,085							

Academic Yaarss Pactor Polgen Total Pr 2007 Pr 2008 Pr 2008 <th></th> <th></th> <th>Project Year =></th> <th>22</th> <th>23</th> <th>24</th> <th>25</th> <th>26</th> <th>27</th> <th>28</th>			Project Year =>	22	23	24	25	26	27	28
Comments Comments Conservements 10,253,287 10,253,278 <th>Academic Year=></th> <th></th> <th>-</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th>FY 2043</th>	Academic Year=>		-							FY 2043
Gross Protein Rent 1.006 Aved/mo 9.66/120 0.95/3.03 10.253.03 11.201.371 11.510.030 Protring Income 8.000 hyr 15.25 15.750 15.223 15.710 17.211 17.727 18.350 Vecamp Rete 2.235.114 1.272.170 1.310.335 1.344.645 1.384 1.334 1.344 1.334 1.344.645 1.345.134 1.341.838 1.447.433 1.344.645 1.305.134 1.341.838 1.474.739 1.057.57 1.752.57 9.750.230 9.750.730 <t< th=""><th></th><th>_</th><th>•</th><th>12</th><th>12</th><th>12</th><th>12</th><th>12</th><th>12</th><th>12</th></t<>		_	•	12	12	12	12	12	12	12
partering functione 1. partering functione 1 <th1< th=""></th1<>	Revenue									
Offer Income 8,000 /yr 15,223 15,700 15,223 15,700 17,211 17,272 18,239 Vacamory Krith 1,235,101 17,211 17,272 18,239 Vacamory Krith 1,235,101 12,72,101 13,03,335 1,349,454 1,300,335 1,431,838	Gross Potential Rent	1,006	/bed/mo	9,664,989	9,954,939	10,253,587	10,561,194	10,878,030	11,204,371	11,540,502
Vacancy Vacancy 13%	Parking Income	-	/space/mo	-	-	-	-	-	-	-
Vacancy 1,23,116 1,272,170 1,310,335 1,349,685 1,390,138 1,474,793 Nar Rental Revnue 8,445,164 8,685,116 8,695,107 9,050,107 9,09,226 9,050,107 9,09,226 9,050,107 9,09,226 9,050,107 9,09,226 9,09,226 9,050,107 9,09,226 9,050,107 9,09,226 1,068,358 1,068,53 1,016 Nare 9,052,107 1,015,384 1,056,52 1,008,338 1,016,692 1,008,338 1,31,89 115,685 Nanagement Staff 176,768 Nyoar 337,83 38,010 355,060 355,108 355,050 355,060 355,000 <td< td=""><td>Other Income</td><td>8,000</td><td>/yr</td><td>15,292</td><td>15,750</td><td>16,223</td><td>16,710</td><td>17,211</td><td>17,727</td><td>18,259</td></td<>	Other Income	8,000	/yr	15,292	15,750	16,223	16,710	17,211	17,727	18,259
Net Rental Revenue 8,443,164 8,569,519 9,283,259 9,261,07 9,700,260 10,083,988 Admin 14,016 Ayear 27,791 27,955 28,423 22,275 30,153 31,309 11,56 95 Admin 14,016 Ayear 33,35 8,555 8,443 10,85 9,28,259 9,061,07 9,700,260 10,803,988 Markeing/Reschantal Lile Programs 51,081 Ayear 33,353 8,555 8,443 9,108 9,381 9,169 40,345 Maragement Staff Operating Expense 165,774 Ayear 138,93 106,603 35,806 325,240 333,083 35,402 213,768 220,181 225,786 333,013 135,422 136,108 136,327 106,803 135,806 122,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17 12,12,17	Vacancy Rate			13%	13%	13%	13%	13%	13%	13%
Operating Supervises 14016 year 26,791 27,595 28,442 29,775 30,153 31,058 31,999 Admin Marketing/Residential Life Programs 51,081 Ayear 8,355 8,243 29,775 30,153 31,058 31,996 315,993 113,189 116,585 Maragement Staff 177,768 Ayear 33,783 348,019 354,603 346,019 354,603 346,019 354,603 361,029 331,690 403,650 Community Assistants - Ayear 189,990 395,628 201,072 207,512 212,1768 220,786 Insurance 155,734 Ayear 29,777 306,608 315,506 325,280 335,099 345,009 315,411 121,419 122,1778 1228,177 1271,818 1309,973 143,149 136,809 122,177,173,178 1309,773 149,4272 1238,780 331,529 431,474 331,533 131,519,45 1158,057 1271,181 120,973 134,1474 331,533 131,531 <td< td=""><td>Vacancy</td><td></td><td></td><td>1,235,116</td><td>1,272,170</td><td>1,310,335</td><td>1,349,645</td><td>1,390,134</td><td>1,431,838</td><td>1,474,793</td></td<>	Vacancy			1,235,116	1,272,170	1,310,335	1,349,645	1,390,134	1,431,838	1,474,793
Admin 14.016 /year 22.751 22.84.33 29.275 30.153 31.058 31.905<	Net Rental Revenue			8,445,164	8,698,519	8,959,475	9,228,259	9,505,107	9,790,260	10,083,968
Markenigal-Reidential Life Programs 51,061 year 97,38 100,572 105,574 106,602 100,803 111,380 115,585 Management Staff 176,768 year 333,83 348,019 358,460 369,214 380,290 391,699 403,450 Community Assistants - year 397,677 306,608 315,806 355,280 335,003 345,009 355,428 220,181 220,786 Community Assistants - year 297,677 306,608 315,806 315,806 355,028 335,003 345,009 354,443 101,331 104,845 107,545 1,126,002 122,177 1,221,77 1	Operating Expenses									
Professional Services Fees 4.861 /year 8.335 8.885 8.843 9.108 9.381 9.663 9.952 Community Assistants /year 337,883 348,019 358,460 360,214 380,220 391,699 403,450 Community Assistants /year 193,930 195,628 201,497 207,542 213,768 220,181 226,786 Insurance 195,574 /year 239,777 306,028 211,805 15,505 150,502 121,755 118,055 115,505 150,502 121,755 113,755 118,055 115,505 150,502 122,757 128,428 105,197 123,7583 155,431 155,432 120,757 128,0502 121,755 118,055 118,055 118,055 118,055 118,057 117,318 Total Operating Expense 1.198,51 11,284,77 7,683,744 7,687,75 7,737,75 28,197 29,043 29,915 30,812 Total Operating Expense 13,500 /year 25,905 26,579 <td< td=""><td>Admin</td><td>14,016</td><td>/year</td><td>26,791</td><td>27,595</td><td>28,423</td><td>29,275</td><td>30,153</td><td>31,058</td><td>31,990</td></td<>	Admin	14,016	/year	26,791	27,595	28,423	29,275	30,153	31,058	31,990
Management Staff 176,78 year 337,883 348,019 358,460 369,214 380,290 391,699 403,450 Community Assistants - /year 189,930 195,628 201,497 207,542 213,768 220,181 225,786 Insurance 195,734 /year 297,677 306,608 315,806 325,280 335,093 335,093 355,402 Properly Management Fee 0,000 Fixed Fee 95,777 306,608 315,806 325,280 335,093 345,009 355,402 Total Operating Expense 1053,827 10,853,827 10,854,827 1,150,005 1,515,455 1,80,007 12,11,870 1,221,675 1,258,325 Total Operating Expense & Reserves 1,198,811 124,477 1,271,818 1,309,973 1,349,272 1,389,750 1,431,443 Net Operating Expense & Reserves 1,350 /year 2,5805 26,579 27,376 28,197 29,015 30,812 Total Operating Expense & Reserves 1,0% of Net Rental Revenue 3,633,	Marketing/Residential Life Programs	51,081	/year	97,638	100,567	103,584	106,692	109,893	113,189	116,585
Community Assistants . Mear . Mear . </td <td>Professional Services Fees</td> <td>4,361</td> <td>/year</td> <td>8,335</td> <td>8,585</td> <td>8,843</td> <td>9,108</td> <td>9,381</td> <td>9,663</td> <td>9,952</td>	Professional Services Fees	4,361	/year	8,335	8,585	8,843	9,108	9,381	9,663	9,952
Cleaning/Decoraring/Tumover 99.364 /year 189.920 99.528 201.497 207.542 213.768 220.181 225.768 Insurance 156.754 /year 207.777 396.400 315.003 335.003 335.003 335.003 335.003 335.003 335.003 335.003 335.003 345.003 335.042 1.118.005 1.151.454 1.156.002 1.271.18 1.068.076 1.721.18 1.039.973 1.349.272 1.289.375 1.431.443 Total Operating Expense Reserves 1.13.000 /year 7.263.537 7.463.744 7.687.656 7.918.286 8.106.005 1.721.18 Total Operating Expense & Reserves 1.05.00 /year 2.505 2.65.79 2.73.76 2.8,197 2.9.043 2.9.913 3.9.812 Trustee/Moody's Fee 13.500 /year 2.50.57 2.7.37.65 2.8,197 2.9.043 2.9.913 3.9.812 Foundation Fee 1.0% of Net Rental Revenue 1.5.253 1.4.10 13.103 1.1.63.433 3.63.5.488 3.6	Management Staff	176,768	/year	337,883	348,019	358,460	369,214	380,290	391,699	403,450
Insurance 155,734 year 297,677 306,608 315,806 325,280 335,039 345,090 535,429 Property Management Fee 50,000 Fixed Fee 95,737 98,440 110,393 101,393 104,435 107,568 110,795 1,12,193 Depositint to Replacement Reserve Account 185 bedyr 144,984 149,333 153,813 158,423 158,180 158,075 1,21,83,25 Total Operating Expense & Reserves 1,198,400 1,43,143 1,43,045 1,43,045 1,43,045 Net Operating Income 7,246,353 7,462,744 7,687,656 7,918,286 8,155,335 8,400,510 8,652,252 Tustee/Moody's Fee 13,500 /year 25,805 26,579 27,376 28,197 29,043 29,915 3,0812 Foundation Fee 13,000 /year 25,825 26,579 27,376 28,197 9,21,43 9,323 7,933 Foundation Fee 1,0% of Net Rental Revenue 3,635,748 3,633,498 3,635,248 3,633	Community Assistants	-	/year	-	-	-	-	-	-	-
Property Management Fee 50,000 Fixed Fee 95,73 98,440 101,393 104,485 110,755 114,119 Total Operating Expense 1,053,827 1,063,827 1,085,442 1,181,005 1,151,543 1,186,002 1,221,675 1,258,325 Deposit Into Replacement Reserve Account 185 /bedryr 1,44,994 143,933 153,413 153,428 163,100 1,439,227 1,389,750 1,431,43 Net Operating Expense & Reserves 1,198,611 1,249,775 1,271,818 1,309,773 1,249,727 1,249,775 1,249,775 1,218,268 155,825 8,400,525 1,439,428 163,149 13,053 11,870 1,06,28 9,323 7,953 7,843,748 7,687,756 7,786 7,861,03 8,012,88 3,635,948 3,635,748 3,632,498 3,635,248 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,	Cleaning/Decorarting/Turnover	99,364	/year	189,930	195,628	201,497	207,542	213,768	220,181	226,786
Total Operating Expense 1,053,872 1,053,872 1,053,872 1,138,005 1,151,545 1,186,092 1,221,675 1,258,325 Deposit Into Replacement Reserve Account 185 /bed/yr 144,984 149,333 153,813 153,812 163,180 168,076 173,118 Total Operating Expense & Reserves 1,198,011 1,227,175 1,271,818 1,309,973 1,349,277 1,389,973 1,349,271 1,380,0973 1,349,271 1,381,00 168,076 173,118 Net Operating Expense & Reserves 1,3500 /year 7,246,353 7,463,744 7,687,655 7,918,266 8,155,835 8,400,510 8,552,525 Foundation Fee 13,500 /year 25,055 26,579 27,376 28,197 20,043 29,915 30,812 Both Service 1,0% of Net Rental Revenue 26,579 7,736,158 7,557,795 7,786,103 8,021,285 8,033,498 3,635,248 3,635,949 3,635,498 3,635,498 3,635,498 3,635,498 3,635,498 3,635,498 3,635,498 3,635,248 </td <td>Insurance</td> <td>155,734</td> <td>/year</td> <td>297,677</td> <td>306,608</td> <td>315,806</td> <td>325,280</td> <td>335,039</td> <td>345,090</td> <td>355,442</td>	Insurance	155,734	/year	297,677	306,608	315,806	325,280	335,039	345,090	355,442
Depositing Replacement Reserve Account 185 /bed/yr 144,994 149,333 153,813 158,428 163,120 168,076 173,118 Total Operating Expense & Reserves 1,198,811 1,234,775 1,271,818 1,309,973 1,349,272 1,389,750 1,431,433 Net Operating Income 7,246,353 7,463,744 7,687,656 7,858,55 8,0010 8,652,748 3,08,127 1,08,076 1,431,433 Net Operating Income 7,246,353 1,4100 13,053 1,18,070 10,628 9,323 7,933 IDA Fee 1,0% of Net Rental Revenue 15,253 14,100 13,053 1,1370 10,628 9,323 7,933 Senior Loan Dett Service 3,635,748 3,633,498 3,632,488 3,633,498 3,632,488 3,633,498 3,635,248 3,635,948 3,633,498 3,633,498 3,635,248 3,635,948 3,635,948 3,633,498 3,632,488 3,633,498 3,635,248 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3,635,948 3	Property Management Fee	50,000	Fixed Fee	95,573	98,440	101,393	104,435	107,568	110,795	114,119
Total Operating Expense & Reserves 1,198,811 1,224,775 1,271,818 1,309,973 1,349,722 1,389,750 1,431,443 Net Operating Income 7,246,353 7,463,744 7,667,656 7,918,286 8,155,855 8,400,510 8,652,255 Trustee/Moody's Fee 13,500 /year 25,805 26,579 27,376 28,197 29,043 29,915 30,812 DAF Ee 10,% of Net Rental Revenue 15,253 14,180 13,053 11,870 10,628 9,323 7,933 Bobt Service 3,635,748 3,6158 7,557,795 7,786,103 8,021,285 8,263,547 8,513,103 Debt Service 3,635,748 3,633,498 3,635,248 3,635,948 <td< td=""><td>Total Operating Expense</td><td></td><td></td><td>1,053,827</td><td>1,085,442</td><td>1,118,005</td><td>1,151,545</td><td>1,186,092</td><td>1,221,675</td><td>1,258,325</td></td<>	Total Operating Expense			1,053,827	1,085,442	1,118,005	1,151,545	1,186,092	1,221,675	1,258,325
Net Operating Income 7,246,353 7,463,744 7,687,656 7,918,286 8,155,835 8,400,510 8,652,525 Trustee/Moody's Fee 13,500 /year 25,805 26,579 27,376 28,197 29,043 29,915 30,812 IDA Fee 1.0% of Net Rental Revenue 15,253 14,180 13,053 11,870 10,628 9,323 7,953 Senior Loan Debt Service 1.0% of Net Rental Revenue 84,299 8,632,8 8,0433 92,115 94,879 97,725 100,657 Senior Loan Debt Service 3,635,748 3,633,498 3,636,248 3,633,498 3,635,248 3,635,949 3,635,498 3,633,498	Deposit Into Replacement Reserve Account	185	/bed/yr	144,984	149,333	153,813	158,428	163,180	168,076	173,118
Trustee/Moody's Fee 13,500 /year 25,805 26,579 27,376 28,197 29,043 29,915 30,812 DA Fee 1.0% of Net Rental Revenue 15,253 14,180 13,053 11,870 10,628 9,323 7,953 Poundation Fee 1.0% of Net Rental Revenue 84,229 86,828 89,433 92,115 94,879 97,725 100,657 Debt Service 7,120,998 7,355,158 7,557,795 7,786,103 8,021,285 8,263,547 8,513,103 Debt Service 3,635,748 3,633,498 3,632,483 3,633,498 3,635,488 3,633,498 3,635,48 3,635,488 3,633,498 3,635,48 3,633,498 3,635,488 3,633,498 3,635,488 3,635,748 3,635,548 <	Total Operating Expense & Reserves	_		1,198,811	1,234,775	1,271,818	1,309,973	1,349,272	1,389,750	1,431,443
IDA Fee 1.0% of Net Rental Revenue 15,253 14,180 13,053 11,870 10,628 9,323 7,953 Foundation Fee 1.0% of Net Rental Revenue 84,299 86,828 89,433 92,115 94,879 97,725 100,657 Debt Service 3,635,748 3,633,498 3,632,488 3,633,498 3,632,488 3,633,498 3,635,248 3,633,498 3,635,248 3,633,498 3,635,248 3,633,498 3,635,248 3,633,498 3,635,248 3,633,498 3,635,248 3,633,498 3,635,248 3,635,498 3,635,498 3,635,498 3,635,498 3,635,498 3,635,248 3,633,498 3,635,248 3,635,498 3,635	Net Operating Income			7,246,353	7,463,744	7,687,656	7,918,286	8,155,835	8,400,510	8,652,525
IDA Fee 1.0% of Net Rental Revenue 15,253 14,180 13,053 11,870 10,628 9,323 7,953 Foundation Fee 1.0% of Net Rental Revenue 84,299 86,828 89,433 92,115 94,879 97,725 100,657 Debt Service 7,120,998 7,336,158 7,557,795 7,786,103 8,021,285 8,263,547 8,513,103 Debt Service 3,635,748 3,633,498 3,636,248 3,633,498 3,635,248 3,635,948 3,635,248 3,635,248 3,635,248 3,635,948 3,635,948 3,635,948 3,635,948 3,635,248 3,635,248 3,635,948 3,635,248 3,635,948 3,635,248 3,635,248 3,635,248 3,635,948 3,635,248 3,635,948 3,635,248 3,635,248 3,635,248 3,635,948 3,635,24	Trustee/Moody's Fee	13,500	/year	25,805	26,579	27,376	28,197	29,043	29,915	30,812
Debt Service 7,326,998 7,336,158 7,557,795 7,786,103 8,021,285 8,263,547 8,513,103 Senior Loan Debt Service 3,635,748 3,635,748 3,633,498 3,635,248	IDA Fee		-	15,253	14,180	13,053	11,870	10,628	9,323	7,953
Debt Service 3,635,748 3,633,498 3,635,248 3,635,248 3,635,998 3,635,498 Debt Service 3,635,748 3,633,498 3,635,248	Foundation Fee		1.0% of Net Rental Revenue							
Senior Loan Debt Service Debt Service Funded by Capitalized Interest Fund 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,633,748 3,635,748	Debt Service	1		7,120,998	7,336,158	7,557,795	7,786,103	8,021,285	8,263,547	8,513,103
Debt Service Funded by Capitalized Interest Fund 3,635,748 3,635,748 3,635,748 3,635,248 3,635,248 3,635,998 3,620,894 3,839,452 4,065,855 <td></td> <td></td> <td></td> <td>2 625 749</td> <td>2 622 409</td> <td>2 626 249</td> <td>2 622 409</td> <td>2 625 249</td> <td>2 625 009</td> <td>2 625 409</td>				2 625 749	2 622 409	2 626 249	2 622 409	2 625 249	2 625 009	2 625 409
Total Debt Service 3,635,748 3,635,748 3,633,498 3,635,248 3,635,248 3,635,998				5,055,748	5,055,498	5,050,248	5,055,496	5,055,246	5,055,998	5,055,498
Cashflow after Debt Service 3,485,250 3,702,660 3,921,548 4,152,606 4,386,037 4,627,550 4,877,606 Debt Service Coverage Ratio Min-> 1.25 1.96 2.02 2.08 2.14 2.21 2.27 2.34 Utilities 245,436 /year 469,140 483,214 497,710 512,642 528,021 543,861 560,177 Property Management Fee 120,165 Fixed Fee plus % of NRR 210,680 217,001 223,511 230,216 237,122 244,236 251,563 Developer Reimbursement Subtotal 2,805,430 3,002,446 3,200,327 3,409,748 3,620,894 3,839,452 4,065,865 -				3 635 7/18	3 633 /08	3 636 2/18	3 633 /08	3 635 2/18	3 635 008	3 635 /08
Debt Service Coverage Ratio Min-> 1.25 1.96 2.02 2.08 2.14 2.21 2.27 2.34 Utilities 245,436 /year 469,140 483,214 497,710 512,642 528,021 543,861 560,177 Property Management Fee 120,165 Fixed Fee plus % of NRR 210,680 217,001 223,511 230,216 237,122 244,236 251,563 Developer Reimbursement 2,805,430 3,002,446 3,200,327 3,409,748 3,620,894 3,839,452 4,065,865 Subtotal - </td <td></td>										
Property Management Fee 120,165 Fixed Fee plus % of NRR 210,680 217,001 223,511 230,216 237,122 244,236 251,563 Developer Reimbursement 2,805,430 3,002,446 3,200,327 3,409,748 3,620,894 3,839,452 4,065,865 Summer Deficiency -		Min->	1.25							
Property Management Fee 120,165 Fixed Fee plus % of NRR 210,680 217,001 223,511 230,216 237,122 244,236 251,563 Developer Reimbursement 2,805,430 3,002,446 3,200,327 3,409,748 3,620,894 3,839,452 4,065,865 Summer Deficiency -										
Property Management Fee 120,165 Fixed Fee plus % of NRR 210,680 217,001 223,511 230,216 237,122 244,236 251,563 Developer Reimbursement 2,805,430 3,002,446 3,200,327 3,409,748 3,620,894 3,839,452 4,065,865 Summer Deficiency -	Utilities	245,436	/year	469,140	483,214	497,710	512,642	528.021	543.861	560,177
Subtotal 2,805,430 3,002,446 3,200,327 3,409,748 3,620,894 3,839,452 4,065,865 Summer Deficiency -			•							
Summer Deficiency -	Developer Reimbursement									
Summer Deficiency -	Subtotal			2,805,430	3,002,446	3,200,327	3,409,748	3,620,894	3,839,452	4,065,865
Net Cash Flow to University 136,966,975 2,613,856 2,805,430 3,002,446 3,200,327 3,409,748 3,620,894 3,839,452	Summer Deficiency			-			-	-	-	
	Summer Deficiency			-	-	-	-	-	-	
Net Present Value of Cashflow after Debt Service 6.0% 29.154.085	Net Cash Flow to University		136,966,975	2,613,856	2,805,430	3,002,446	3,200,327	3,409,748	3,620,894	3,839,452
	Net Present Value of Cashflow after Debt Service	6.0%	29,154,085							

		Project Year =>	29	30	31	32	33	34	3
Academic Year=>	Factor	Project Total	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	FY 205
		Months In year Comments	12	12	12	12	12	12	1
Revenue									
Gross Potential Rent	1,006	/bed/mo	11,886,717	12,243,319	12,610,618	12,988,937	13,378,605	13,779,963	14,193,362
Parking Income	-	/space/mo	-	-	-	-	-	-	-
Other Income	8,000	/yr	18,807	19,371	19,952	20,551	21,167	21,802	22,456
Vacancy Rate			13%	13%	13%	13%	13%	13%	139
Vacancy			1,519,037	1,564,608	1,611,547	1,659,893	1,709,690	1,760,980	1,813,810
Net Rental Revenue			10,386,487	10,698,081	11,019,024	11,349,595	11,690,082	12,040,785	12,402,00
Operating Expenses									
Admin	14,016	/year	32,950	33,938	34,956	36,005	37,085	38,198	39,34
Marketing/Residential Life Programs	51,081	/year	120,083	123,685	127,396	131,218	135,154	139,209	143,38
Professional Services Fees	4,361	/year	10,251	10,558	10,875	11,201	11,538	11,884	12,240
Management Staff	176,768	/year	415,553	428,020	440,861	454,086	467,709	481,740	496,19
Community Assistants	-	/year	-	-	-	-	-	-	-
Cleaning/Decorarting/Turnover	99,364	/year	233,590	240,598	247,816	255,250	262,908	270,795	278,919
Insurance	155,734	/year	366,106	377,089	388,402	400,054	412,055	424,417	437,149
Property Management Fee	50,000	Fixed Fee	117,542	121,069	124,701	128,442	132,295	136,264	140,352
Total Operating Expense			1,296,075	1,334,957	1,375,005	1,416,256	1,458,743	1,502,506	1,547,58
Deposit Into Replacement Reserve Account	185	/bed/yr	178,312	183,661	189,171	194,846	200,691	206,712	212,913
Total Operating Expense & Reserves			1,474,386	1,518,618	1,564,176	1,611,102	1,659,435	1,709,218	1,760,494
Net Operating Income			8,912,101	9,179,464	9,454,848	9,738,493	10,030,648	10,331,567	10,641,514
Trustee/Moody's Fee	13,500	/year	31,736	32,689	33,669	34,679	35,720	36,791	37,89
IDA Fee	-,		6,513	5,003	3,415	1,750	-	-	-
Foundation Fee		1.0% of Net Rental Revenue	103,677	106,787	109,991	113,290	116,689	120,190	123,79
			8,770,175	9,034,986	9,307,773	9,588,773	9,878,239	10,174,586	10,479,82
Debt Service							<i></i>		
Senior Loan Debt Service			3,638,498	3,634,498	3,638,498	3,634,748	(37,003)	-	-
Debt Service Funded by Capitalized Interest Fund			-	-	-	-	-	-	-
Total Debt Service			3,638,498	3,634,498	3,638,498	3,634,748	(37,003)	-	-
Cashflow after Debt Service			5,131,677	5,400,488	5,669,275	5,954,026	9,915,242	10,174,586	10,479,824
Debt Service Coverage Ratio	Min->	1.25	2.41	2.49	2.56	2.64	-266.96		
Utilities	245,436	/year	576,983	594,292	612,121	630,484	649,399	668,881	688,94
Property Management Fee	120,165	Fixed Fee plus % of NRR	259,110	266,883	274,890	283,137	291,631	300,380	309,39
	,								
Developer Reimbursement									
Subtotal			4,295,585	4,539,313	4,782,265	5,040,405	8,974,212	9,205,326	9,481,48
Summer Deficiency				-		-	-		-
Net Cash Flow to University		136,966,975	4,065,865	4,295,585	4,539,313	5,000,301	5,362,162	8,434,418	9,205,32
Net dash i low to oniversity		130,300,373	4,003,600	4,273,303	4,JJJJJJJJ	3,000,301	3,302,102	0,434,410	3,203,32
Net Present Value of Cashflow after Debt Service	6.0%	29,154,085							

		Project Year =>	36	37	38	39	4
Academic Year	=> Factor	Project Total	FY 2051	FY 2052	FY 2053	FY 2054	FY 205
		Months In year Comments	12	12	12	12	1
evenue							
Gross Potential Rent	1,006	/bed/mo	14,619,163	15,057,738	15,509,470	15,974,754	16,453,997
Parking Income	-	/space/mo	-	-	-	-	-
Other Income	8,000	/yr	23,130	23,824	24,539	25,275	26,033
Vacancy Rate		-	13%	13%	13%	13%	139
Vacancy			1,868,224	1,924,271	1,981,999	2,041,459	2,102,703
Net Rental Revenue			12,774,069	13,157,291	13,552,010	13,958,570	14,377,327
Operating Expenses							
Admin	14,016	/year	40,524	41,739	42,992	44,281	45,610
Marketing/Residential Life Programs	51,081	/year	147,687	152,117	156,681	161,381	166,222
Professional Services Fees	4,361	/year	12,607	12,986	13,375	13,776	14,190
Management Staff	176,768	/year	511,078	526,411	542,203	558,469	575,223
Community Assistants	-	/year	-	-	-	-	-
Cleaning/Decorarting/Turnover	99,364	/year	287,286	295,905	304,782	313,926	323,343
Insurance	155,734	/year	450,264	463,772	477,685	492,015	506,776
Property Management Fee	50,000	Fixed Fee	144,562	148,899	153,366	157,967	162,706
Total Operating Expense			1,594,008	1,641,828	1,691,083	1,741,816	1,794,070
Deposit Into Replacement Reserve Account	185	/bed/yr	219,301	225,880	232,656	239,636	246,825
Total Operating Expense & Reserves			1,813,309	1,867,708	1,923,740	1,981,452	2,040,895
let Operating Income			10,960,760	11,289,582	11,628,270	11,977,118	12,336,432
Trustee/Moody's Fee	13,500	/year	39,032	40,203	41,409	42,651	43,931
IDA Fee			-	-	-	-	-
Foundation Fee		1.0% of Net Rental Revenue	127,509	131,335	135,275	139,333	143,513
			10,794,219	11,118,045	11,451,586	11,795,134	12,148,988
ebt Service							
Senior Loan Debt Service	_		-	-	-	-	-
Debt Service Funded by Capitalized Interest Fund			-	-	-	-	-
Total Debt Service			-	-	-	-	-
Cashflow after Debt Service			10,794,219	11,118,045	11,451,586	11,795,134	12,148,988
Debt Service Coverage Ratio	Min->	1.25					
LIEPE	0.45,400		700 646	720.004	752 004		700 676
Utilities	245,436	/year	709,616	730,904	752,831	775,416	798,679
Property Management Fee	120,165	Fixed Fee plus % of NRR	318,673	328,233	338,080	348,222	358,669
Developer Reimbursement							
Subtotal			9,765,930	10,058,908	10,360,675	10,671,495	10,991,640
			-	-	-	-	-
Summer Deficiency							
-		400 000 075	0 401 405	0.765.000		10.260.075	10 674 40
Summer Deficiency Net Cash Flow to University		136,966,975	9,481,485	9,765,930	10,058,908	10,360,675	10,671,495

Preliminary

\$56,500,000

Florida International University Project Student Housing Fixed Rate Revenue Bonds Series 2014

Net Debt Service Schedule

Date		Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S
06/30/2015	2015	-	-	747,120.00	747,120.00	-	(747,120.00)	-
06/30/2016	2016	-	-	2,801,700.00	2,801,700.00	-	(2,801,700.00)	-
06/30/2017	2017	140,000.00	3.286%	2,801,700.00	2,941,700.00	-	(1,634,325.00)	1,307,375.00
06/30/2018	2018	465,000.00	3.000%	2,797,100.00	3,262,100.00	(36,752.50)	-	3,225,347.50
06/30/2019	2019	580,000.00	3.000%	2,783,150.00	3,363,150.00	(36,752.50)	-	3,326,397.50
06/30/2020	2020	695,000.00	5.000%	2,765,750.00	3,460,750.00	(36,752.50)	-	3,423,997.50
06/30/2021	2021	835,000.00	5.000%	2,731,000.00	3,566,000.00	(36,752.50)	-	3,529,247.50
06/30/2022	2022	985,000.00	5.000%	2,689,250.00	3,674,250.00	(36,752.50)	-	3,637,497.50
06/30/2023	2023	1,035,000.00	5.000%	2,640,000.00	3,675,000.00	(36,752.50)	-	3,638,247.50
06/30/2024	2024	1,085,000.00	5.000%	2,588,250.00	3,673,250.00	(36,752.50)	-	3,636,497.50
06/30/2025	2025	1,140,000.00	5.000%	2,534,000.00	3,674,000.00	(36,752.50)	-	3,637,247.50
06/30/2026	2026	1,195,000.00	5.000%	2,477,000.00	3,672,000.00	(36,752.50)	-	3,635,247.50
06/30/2027	2027	1,255,000.00	5.000%	2,417,250.00	3,672,250.00	(36,752.50)	-	3,635,497.50
06/30/2028	2028	1,320,000.00	5.000%	2,354,500.00	3,674,500.00	(36,752.50)	-	3,637,747.50
06/30/2029	2029	1,385,000.00	5.000%	2,288,500.00	3,673,500.00	(36,752.50)	-	3,636,747.50
06/30/2030	2030	1,455,000.00	5.000%	2,219,250.00	3,674,250.00	(36,752.50)	-	3,637,497.50
06/30/2031	2031	1,525,000.00	5.000%	2,146,500.00	3,671,500.00	(36,752.50)	-	3,634,747.50
06/30/2032	2032	1,600,000.00	5.000%	2,070,250.00	3,670,250.00	(36,752.50)	-	3,633,497.50
06/30/2033	2033	1,685,000.00	5.000%	1,990,250.00	3,675,250.00	(36,752.50)	-	3,638,497.50
06/30/2034	2034	1,765,000.00	5.000%	1,906,000.00	3,671,000.00	(36,752.50)	-	3,634,247.50
06/30/2035	2035	1,855,000.00	5.000%	1,817,750.00	3,672,750.00	(36,752.50)	-	3,635,997.50
06/30/2036	2036	1,950,000.00	5.000%	1,725,000.00	3,675,000.00	(36,752.50)	-	3,638,247.50
06/30/2037	2037	2,045,000.00	5.000%	1,627,500.00	3,672,500.00	(36,752.50)	-	3,635,747.50
06/30/2038	2038	2,145,000.00	5.000%	1,525,250.00	3,670,250.00	(36,752.50)	-	3,633,497.50
06/30/2039	2039	2,255,000.00	5.000%	1,418,000.00	3,673,000.00	(36,752.50)	-	3,636,247.50
06/30/2040	2040	2,365,000.00	5.000%	1,305,250.00	3,670,250.00	(36,752.50)	-	3,633,497.50
06/30/2041	2041	2,485,000.00	5.000%	1,187,000.00	3,672,000.00	(36,752.50)	-	3,635,247.50
06/30/2042	2042	2,610,000.00	5.000%	1,062,750.00	3,672,750.00	(36,752.50)	-	3,635,997.50
06/30/2043	2043	2,740,000.00	5.000%	932,250.00	3,672,250.00	(36,752.50)	-	3,635,497.50
06/30/2044	2044	2,880,000.00	5.000%	795,250.00	3,675,250.00	(36,752.50)	-	3,638,497.50
06/30/2045	2045	3,020,000.00	5.000%	651,250.00	3,671,250.00	(36,752.50)	-	3,634,497.50
06/30/2046	2046	3,175,000.00	5.000%	500,250.00	3,675,250.00	(36,752.50)	-	3,638,497.50
06/30/2047	2047	3,330,000.00	5.000%	341,500.00	3,671,500.00	(36,752.50)	-	3,634,747.50
06/30/2048	2048	3,500,000.00	5.000%	175,000.00	3,675,000.00	(3,712,002.50)	-	(37,002.50)

Preliminary

Florida International University Project Student Housing Fixed Rate Revenue Bonds Series 2014

Detail Costs Of Issuance

COSTS OF ISSUANCE DETAIL

Financial Advisor		\$45,000.00
Bond Counsel		\$76,375.00
Developer's Counsel		\$40,000.00
University Counsel		\$50,000.00
Trustee Fees		\$8,500.00
Trustee Counsel		\$7,500.00
Rating Agency Fee		\$90,000.00
Printing		\$6,000.00
Foundation Fee		\$65,000.00
Local Enforcability Counsel		\$7,500.00
Foundation Counsel		\$26,500.00
Miscellaneous		\$25,000.00
County Attorney		\$5,000.00
IDA Fee		\$98,000.00
Capitalized IDA Fee	(in taxable tail)	\$34,000.00

TOTAL

\$584,375.00

Preliminary **\$58,266,376.50** Florida International University Project Student Housing Fixed Rate Revenue Bonds Series 2014

Total Issue Sources And Uses

	Tax-exempt	Taxable	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$56,420,000.00	\$80,000.00	\$56,500,000.00
Project Construction Fund Interest	1,766,376.50	-	\$1,766,376.50
Total Sources	\$58,186,376.50	\$80,000.00	\$58,266,376.50
Uses Of Funds			
Reoffering Premium		-	-
Total Underwriter's Discount	630,519.76	1,292.07	631,811.83
Costs of Issuance	518,639.59	65,735.41	584,375.00
Deposit to Debt Service Reserve Fund (DSRF)	3,675,250.00	-	3,675,250.00
Deposit to Capitalized Interest (CIF) Fund	5,134,391.31	5,170.95	5,139,562.26
Deposit to Project Construction Fund	48,227,527.32	5,000.00	48,232,527.32
Rounding Amount	48.52	2,801.57	2,850.09
Total Uses	\$58,186,376.50	\$80,000.00	\$58,266,376.50

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