

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
FLORIDA AGRICULTURAL & MECHANICAL UNIVERSITY
2018 Debt Restructuring & Housing
DOE Loan Scenario (HBCU Capital Financing Program)

Projected Internal Rate of Return (IRR)
(new 700-bed Housing facility)

	Project Construction Cost	Estimated Project Net Revenues			Total Project Cash Flow
		Gross Revenues	Operating Expenses	Net Revenues	
2018	(\$60,000,000)	-	-	-	(\$60,000,000)
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	\$5,578,512	(\$2,274,644)	\$3,303,867	3,303,867
2022	-	5,578,512	(2,297,391)	3,281,121	3,281,121
2023	-	5,578,512	(2,320,365)	3,258,147	3,258,147
2024	-	5,578,512	(2,343,568)	3,234,943	3,234,943
2025	-	5,798,856	(2,390,440)	3,408,416	3,408,416
2026	-	5,798,856	(2,438,248)	3,360,608	3,360,608
2027	-	5,798,856	(2,487,013)	3,311,843	3,311,843
2028	-	5,798,856	(2,536,754)	3,262,102	3,262,102
2029	-	5,856,845	(2,587,489)	3,269,356	3,269,356
2030	-	5,915,413	(2,639,239)	3,276,174	3,276,174
2031	-	5,974,567	(2,692,023)	3,282,544	3,282,544
2032	-	6,034,313	(2,745,864)	3,288,449	3,288,449
2033	-	6,094,656	(2,800,781)	3,293,875	3,293,875
2034	-	6,155,603	(2,856,797)	3,298,806	3,298,806
2035	-	6,217,159	(2,913,933)	3,303,226	3,303,226
2036	-	6,279,330	(2,972,211)	3,307,119	3,307,119
2037	-	6,342,123	(3,031,656)	3,310,468	3,310,468
2038	-	6,405,545	(3,092,289)	3,313,256	3,313,256
2039	-	6,469,600	(3,154,134)	3,315,466	3,315,466
2040	-	6,534,296	(3,217,217)	3,317,079	3,317,079
2041	-	6,599,639	(3,281,561)	3,318,078	3,318,078
2042	-	6,665,635	(3,347,193)	3,318,443	3,318,443
2043	-	6,732,292	(3,414,136)	3,318,155	3,318,155
2044	-	6,799,615	(3,482,419)	3,317,196	3,317,196
2045	-	6,867,611	(3,552,068)	3,315,543	3,315,543
2046	-	6,936,287	(3,623,109)	3,313,178	3,313,178
2047	-	7,005,650	(3,695,571)	3,310,079	3,310,079
2048	-	7,075,706	(3,769,483)	3,306,224	3,306,224
2049	-	7,146,463	(3,844,872)	3,301,591	3,301,591
2050	-	7,217,928	(3,921,770)	3,296,158	3,296,158
	(\$60,000,000)	\$188,835,746	(\$89,724,237)	\$99,111,509	\$39,111,509

IRR= 3.11%

1) Assumes 30 year financing and no equity contribution, 30-year useful life of the project with no residual value.
2) Revenue and expense projections through FY 2028 provided by FAMU, includes New Housing proportional share of Other Revenues and Fixed Costs. Beyond 2028, assumed growth rate at 1% (revenues) and 2% (expenses).
3) New money bond issue structured to generate \$60 million in project funds for new housing facility, assumes 1/1/19 delivery date and includes capitalized interest through 2020, and cash funded DSRF.