



FAU Student Housing – Boca Raton & Jupiter Project

BOARD OF GOVERNORS
MEETING – MARCH 2019



FAU Student Housing Priorities

Housing is critically important to the FAU student experience and must deliver upon the following:

Strategic Priorities



Accessibility & Enrollment Management

Provide dynamic student housing experiences that support recruitment, retention, progression, and graduation



Affordability

Focus on affordability and deliver maximum value to students



Student Development & Engagement

Develop the ‘whole’ student – not just provide a bed



FAU Housing Financial Strength

Maintain system-wide financial strength through all physical and programmatic investments

These strategic priorities have guided **all** implementation decisions for the Project

“You sleep them, you keep them” – Dr. John Kelly, FAU President

Academic Performance Initiatives

Investment in FAU Housing’s academic experience has happened concurrently with broader University initiatives:

Academic Performance Metric	2014	*2019	Increase
4-Year Graduation Rate	19.3%	33.9%	14.6%
Academic Progress	65.9%	80.0%	14.1%
6-Year Graduation Rate	45.0%	51.1%	6.1%
Percent of Bachelor’s Degrees Awarded without Excess Hours	72.9%	77.1%	4.2%
Bachelor’s Degrees Awarded to Minorities	43.8%	47.9%	4.1%

**Unofficial numbers. Official numbers will be released on April 30th, 2019*

22

National Merit
Scholars in 2018

** 6 Merit Scholars in 2014*

\$44 M

In Institutional
Advancement

** \$15.2M in 2014*

\$63 M

In Research
Expenditures

** \$34.7M in 2014*

FAU Project Overview

BOCA CAMPUS RENDERING (VIEW FROM DIVERSITY WAY)



- 616 total beds in suite-style configuration
- Targeted towards sophomore and junior students
- In-unit kitchenettes / full kitchens – No meal plan requirement applies
- Get Wise space to support academic initiatives
- Former Algonquin site (Algonquin demolition Summer 2019)
- Opening Fall 2021
- FAUFC will serve as owner of the Project (A1 / A+ credit rating)

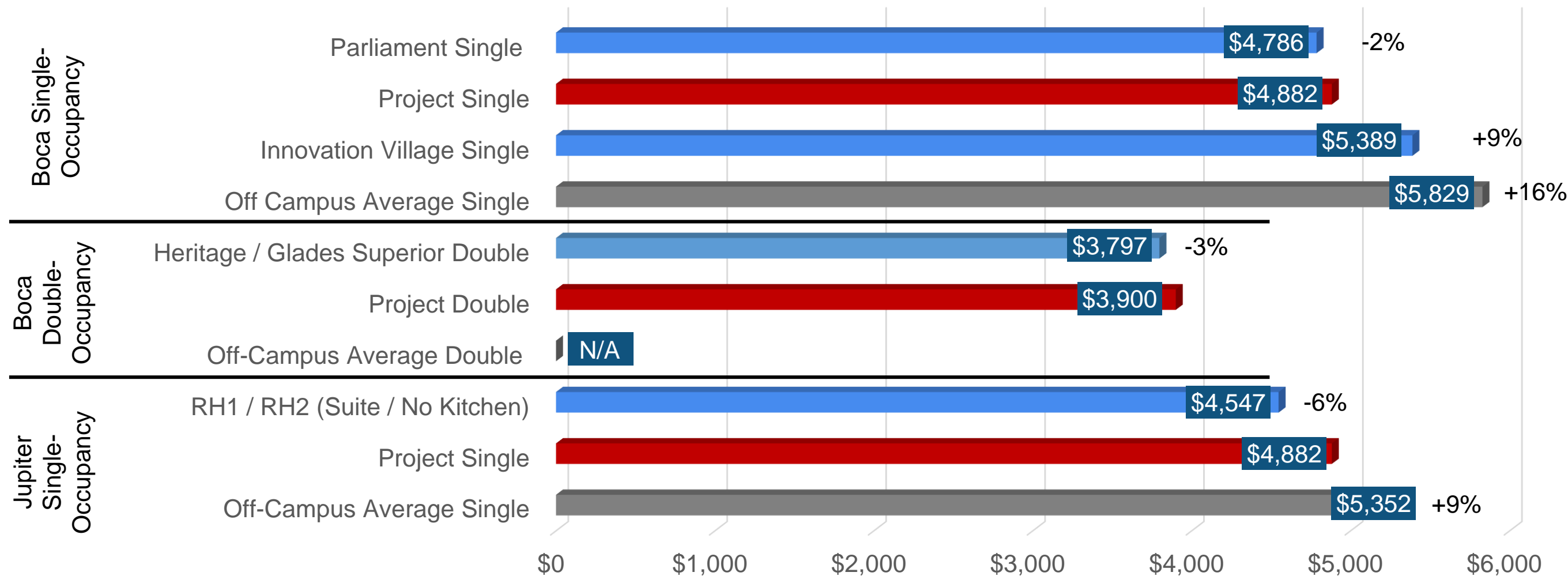
JUPITER RENDERING (VIEW FROM RH2)



- 165 total beds in apartment-style configuration
- Targeted towards junior and senior Honors College students
- In-unit kitchenettes / full kitchens – No meal plan requirement applies
- Get Wise space to support academic initiatives
- Adjacent to Residence Hall 2
- Opening Fall 2021
- FAUFC will serve as owner of the Project (A1 / A+ credit rating)

The Project's not-to-exceed development budget is \$78.5MM

Project Rental Rate Comparison (Fall 2021)



*On campus rates assume inclusion of all utilities and furnishings. Off-campus averages include estimated utility costs, but assume no furnishings.
**Data is in 2021 dollars. Historical 5-year annual inflation average was applied for the off campus comparison (incl. utilities). Off-campus properties are ALL located within 5 miles of each campus
***All data is per semester

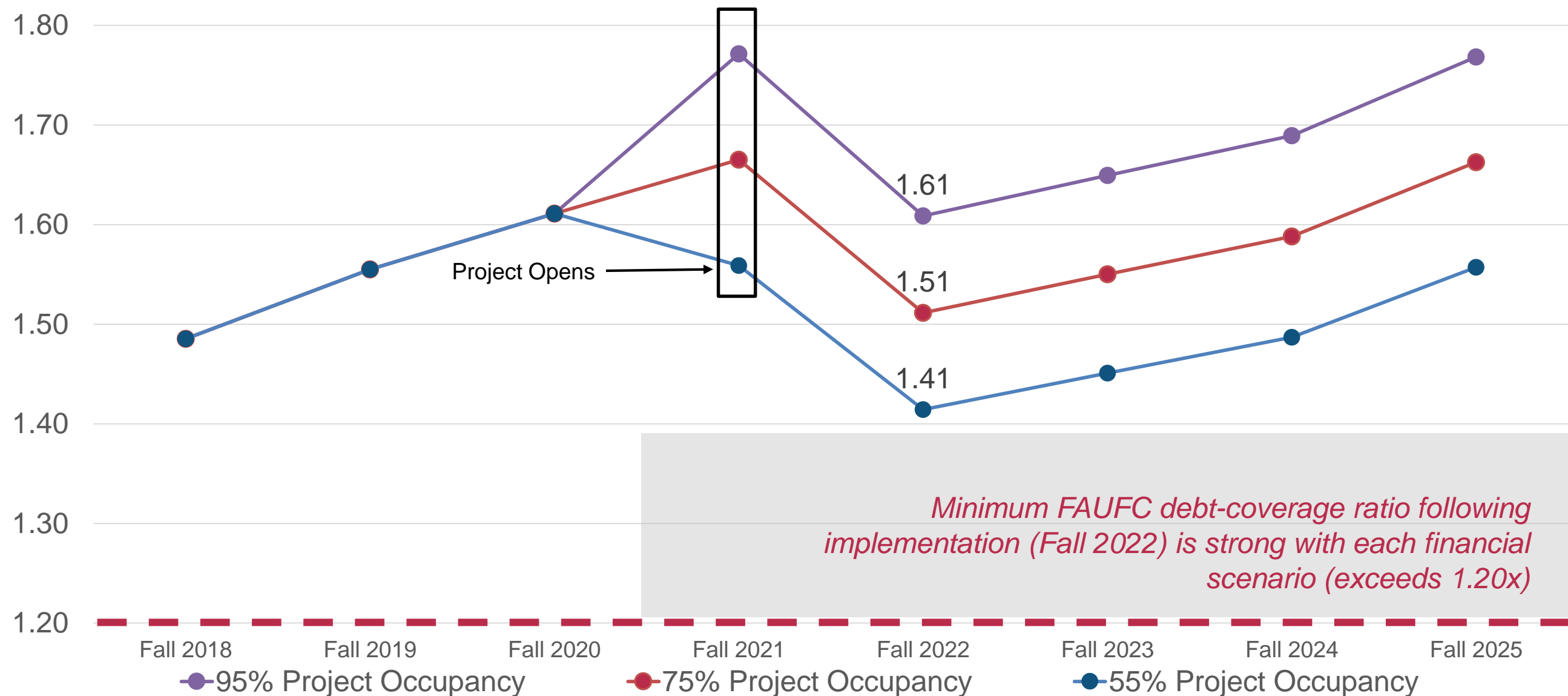
FAU is focused on Project affordability both within the existing system and in comparison to the off-campus market

FAU Existing Housing Overview

- Existing system occupancy is strong and stable – Supports future demand
 - Boca Fall 2018 = 104% Occupancy (99%+ previous 3 years)
 - Boca Campus engaged in off-campus partnership with hotel
 - Jupiter Fall 2018 = 96% Occupancy (96%+ previous 3 years)
- FAU Housing achieved 1.43x DCR in FY 2018, and improvement is anticipated in future years due to debt service savings (saving \$2mm by FY 2022)
 - DBF debt decreasing from \$5.4mm (FY 2018) to \$4.3mm (FY 2022)
 - FAUFC debt decreasing from \$8.2mm (FY 2018) to \$7.2mm (FY 2020)

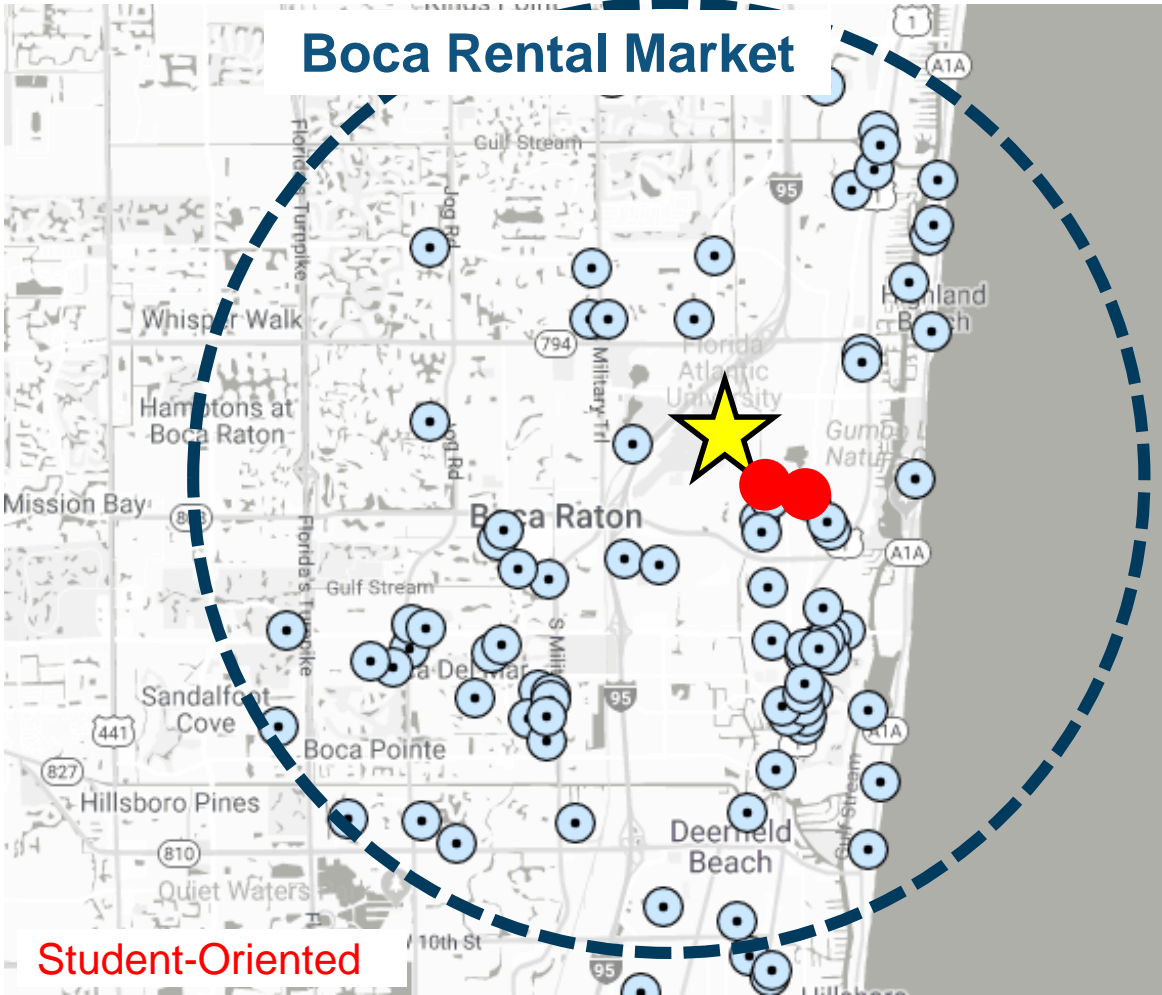


FAUFC System Financial Performance – Occupancy Risk

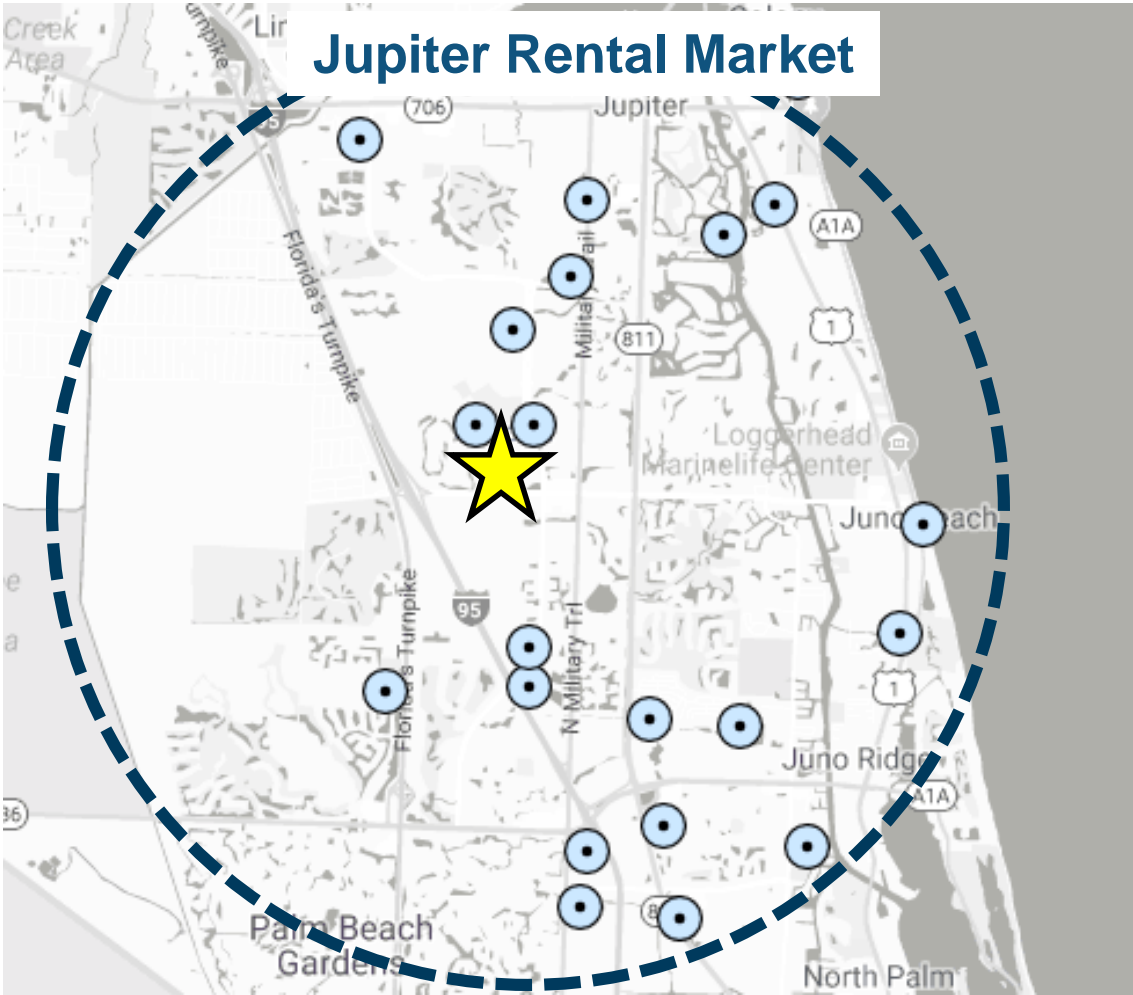


FAUFC is able to adsorb some occupancy risk for the Project – benefit of system-wide approach

Off-Campus Market Inventory – 5 Miles



	1-Bed	2-Bed	3-Bed	4-Bed	Total
Student-Oriented Inventory (# Beds)	0	108	324	212	644
Non-Student-Oriented Inventory (# Beds)	5,759	14,088	5,490	284	25,845

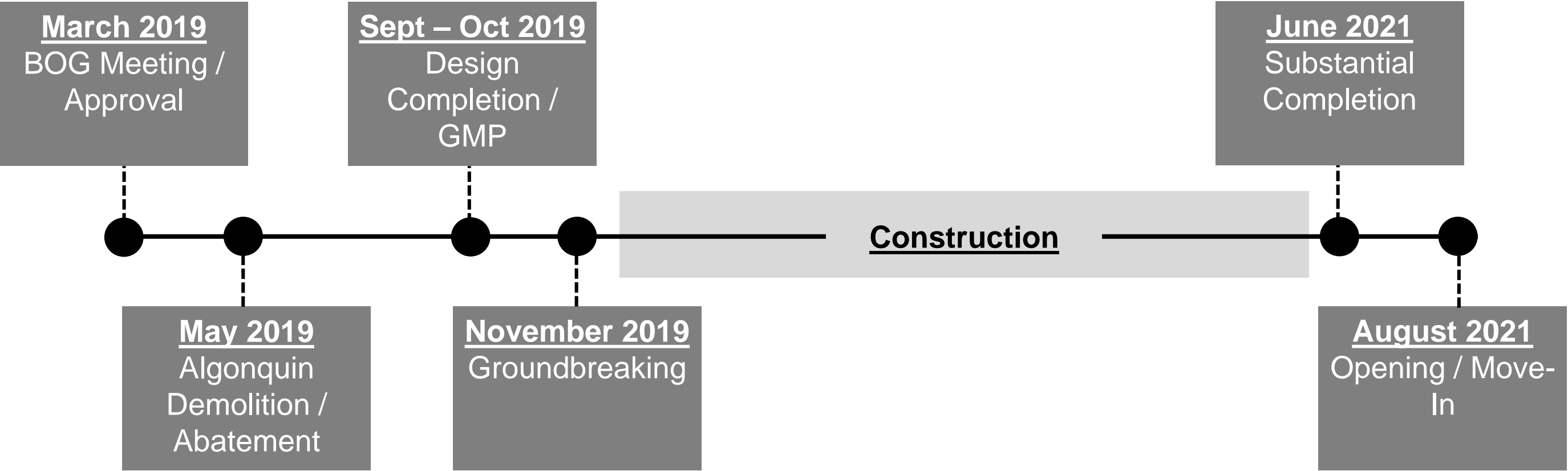


	1-Bed	2-Bed	3-Bed	4-Bed	Total
Student-Oriented Inventory (# Beds)	-	-	-	-	0
Non-Student-Oriented Inventory (# Beds)	1,636	5,742	2,328	168	9,875

*Yellow stars are FAU's campuses. Red dots are student oriented properties (not applicable at Jupiter)

*Without off-campus student-oriented housing (2 total communities adjacent to Boca),
FAU has a responsibility to deliver this experience*

Estimated Construction Timeline / Key Milestones





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