

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
University of Florida
New Undergraduate Residential Complex Housing Facility

Projected Internal Rate of Return (IRR)

		<u>Estimated Project Net Revenues</u>				
		<u>Project Construction Cost¹</u>	<u>Gross Revenues²</u>	<u>Operating Expenses²</u>	<u>Net Revenues</u>	<u>Total Project Cash Flow</u>
1	2022	(\$27,077,779)	-	-	-	(\$27,077,779)
2	2023	(96,498,987)	-	-	-	(96,498,987)
3	2024	(96,423,234)	-	-	-	(96,423,234)
4	2025	-	12,194,000	4,346,000	7,848,000	7,848,000
5	2026	-	12,742,730	4,476,380	8,266,350	8,266,350
6	2027	-	13,125,012	4,610,671	8,514,341	8,514,341
7	2028	-	13,518,762	4,748,992	8,769,771	8,769,771
8	2029	-	13,924,325	4,891,461	9,032,864	9,032,864
9	2030	-	14,342,055	5,038,205	9,303,850	9,303,850
10	2031	-	14,772,317	5,189,351	9,582,965	9,582,965
11	2032	-	15,215,486	5,345,032	9,870,454	9,870,454
12	2033	-	15,671,951	5,505,383	10,166,568	10,166,568
13	2034	-	16,142,109	5,670,544	10,471,565	10,471,565
14	2035	-	16,626,372	5,840,661	10,785,712	10,785,712
15	2036	-	17,125,164	6,015,880	11,109,283	11,109,283
16	2037	-	17,638,918	6,196,357	11,442,562	11,442,562
17	2038	-	18,168,086	6,382,248	11,785,839	11,785,839
18	2039	-	18,713,129	6,573,715	12,139,414	12,139,414
19	2040	-	19,274,522	6,770,926	12,503,596	12,503,596
20	2041	-	19,852,758	6,974,054	12,878,704	12,878,704
21	2042	-	20,448,341	7,183,276	13,265,065	13,265,065
22	2043	-	21,061,791	7,398,774	13,663,017	13,663,017
23	2044	-	21,693,645	7,620,737	14,072,908	14,072,908
24	2045	-	22,344,454	7,849,359	14,495,095	14,495,095
25	2046	-	23,014,788	8,084,840	14,929,948	14,929,948
26	2047	-	23,705,231	8,327,385	15,377,846	15,377,846
27	2048	-	24,416,388	8,577,207	15,839,181	15,839,181
28	2049	-	25,148,880	8,834,523	16,314,357	16,314,357
29	2050	-	25,903,346	9,099,559	16,803,788	16,803,788
30	2051	-	26,680,447	9,372,546	17,307,901	17,307,901
		(\$220,000,000)	\$503,465,008	\$176,924,067	\$326,540,941	\$106,540,941

IRR = 2.54%

Footnotes:

- 1) Total project cost of \$220M includes planning, design, construction & equipment, projected delivery date May 2024 .
- 2) Revenue and expense projections provided by UF assume annual revenue increase by 4.5% through 2026 and 3% thereafter, and annual expense increase of 3%.
- 3) Assumes 30 year financing, inclusive of construction term. For simplicity, assumes 30-year useful life of the Project with no residual value.