

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
University of South Florida
USF Stadium Project; \$200M Debt**

Estimated Sources and Uses of Funds

Sources of Funds

Debt, par amount ¹		\$ 200,000,000
Other Sources of Funds:		
USF Foundation Cash Advance ²	50,000,000	
Student Capital Improvement Fees ³	31,000,000	
Auxiliaries ⁴	11,500,000	
Administrative Overhead ⁵	15,000,000	
2017 Broadband Spectrum Sale Proceeds ⁶	8,000,000	
Cash Contribution, Contingent on EBS License Sales ⁷	25,000,000	
Subtotal Other Sources of Funds:		140,500,000
Total Sources of Funds:		<u><u>\$ 340,500,000</u></u>

Uses of Funds

Project Cost ⁸		\$ 340,000,000
Underwriter Discount (Bank Fees/Points) ⁹		-
Costs of Issuance ¹⁰		500,000
Capitalized Interest ¹¹		-
Total Uses of Funds:		<u><u>\$ 340,500,000</u></u>

Footnotes

1) Par amount not to exceed \$200 million from a private placement loan with a 20-year term and with an estimated fixed, taxable interest rate of 5.50%.

2) Represents a cash advance upfront from the Foundation of current and future gifts/donations from the Stadium Capital Campaign. According to USF, the capital campaign is in its initial phases pending completion of the design of the stadium, and the Project budget will be reduced to the extent that less than \$50M is collected/committed.

3) Five (5) serial installments of CITF fees (student Capital Improvement Fee) totaling \$31M, in aggregate.

4) Auxiliary unreserved cash; \$8M (Parking), \$2M (Food Service), and \$1.5M (Bookstore Operations).

5) Administrative Overhead is an annual 6% levy (by the University) on auxiliary expenditures. These funds are held centrally by the University.

6) USF participated in a 2017 Federal Communication Commission (FCC) auction of TV broadband (authorized by Congress in 2012, designed to repurpose video and broadband spectrum for new uses), and USF subsequently sold its interest. The \$8M contribution represents remaining sale proceeds held by the University.

7) The sale of the University's eight 2.5 GHz Educational Broadband Services (EBS) licenses is anticipated to close in Fall 2023. T-Mobile is the acquiror. T-Mobile currently leases the University's EBS licenses under a 30-yr agreement maturing in 2041. The FY23 lease pmt is over \$1.7M.

8) Includes design and construction. A contingency will be included, but the amount/percentage has not yet been established. The contract has a 'design to budget' provision, thus the Project will be redesigned as necessary to bring the cost into alignment with the owner-approved program, design and budget.

9) Truist is not charging fees/points for the \$200M loan.

10) USF estimates total closing costs at \$500k, including fees for bond and bank counsels, financial advisor services, and other miscellaneous closing costs. USF expects the final closing costs to be considerably less.

11) Capitalized interest will not be utilized during construction. All Debt proceeds will go toward Project costs, and interest-only debt service during the construction phase will be paid from Athletic Pledged Revenues.