

STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
USF FINANCING CORPORATION  
USF Research Park - 2019 Mixed Use Lab and Office Project

**Projected Internal Rate of Return (IRR)**  
(new \$27M Multi-Use Lab and Office facility)

Year	Project Construction Cost	Pledged Revenues	Operating Expenses	Net Revenues	Total Project Cash Flows	Project Cash Payback
2020	(\$27,038,235)	\$	\$	\$	(\$27,038,235)	
2021						(\$27,038,235)
2022		712,500	350,125	362,375	362,375	(26,675,860)
2023		1,467,750	684,178	783,572	783,572	(25,892,288)
2024		2,267,674	1,037,187	1,230,487	1,230,487	(24,661,801)
2025		3,114,272	1,409,234	1,705,038	1,705,038	(22,956,763)
2026		3,656,778	1,645,533	2,011,245	2,011,245	(20,945,518)
2027		3,766,481	1,694,899	2,071,582	2,071,582	(18,873,936)
2028		3,879,476	1,745,746	2,133,730	2,133,730	(16,740,206)
2029		3,995,860	1,798,118	2,197,742	2,197,742	(14,542,464)
2030		4,115,736	1,852,062	2,263,674	2,263,674	(12,278,790)
2031		4,239,208	1,907,624	2,331,584	2,331,584	(9,947,206)
2032		4,366,384	1,964,852	2,401,532	2,401,532	(7,545,674)
2033		4,497,376	2,023,798	2,473,578	2,473,578	(5,072,097)
2034		4,632,297	2,084,512	2,547,785	2,547,785	(2,524,312)
2035		4,771,266	2,147,047	2,624,219	2,624,219	99,907
2036		4,914,404	2,211,459	2,702,945	2,702,945	2,802,852
2037		5,061,836	2,277,803	2,784,033	2,784,033	5,586,885
2038		5,213,691	2,346,137	2,867,554	2,867,554	8,454,440
2039		5,370,102	2,416,521	2,953,581	2,953,581	11,408,021
2040		5,531,205	2,489,016	3,042,189	3,042,189	14,450,210
2041		5,697,141	2,563,687	3,133,454	3,133,454	17,583,664
2042		5,868,055	2,640,597	3,227,458	3,227,458	20,811,122
2043		6,044,097	2,719,815	3,324,282	3,324,282	24,135,403
2044		6,225,420	2,801,410	3,424,010	3,424,010	27,559,413
2045		6,412,182	2,885,452	3,526,730	3,526,730	31,086,143
2046		6,604,548	2,972,016	3,632,532	3,632,532	34,718,676
2047		6,802,684	3,061,176	3,741,508	3,741,508	38,460,184
2048		7,006,765	3,153,011	3,853,754	3,853,754	42,313,937
2049		7,216,968	3,247,602	3,969,366	3,969,366	46,283,303
2050		7,433,477	3,345,030	4,088,447	4,088,447	50,371,750
2051		7,656,481	3,445,381	4,211,100	4,211,100	54,582,850
2052		7,886,176	3,548,742	4,337,434	4,337,434	58,920,284
2053		8,122,761	3,655,204	4,467,557	4,467,557	63,387,840
2054		8,366,444	3,764,860	4,601,584	4,601,584	67,989,423
2055		8,617,437	3,877,806	4,739,631	4,739,631	72,729,054
2056		8,875,960	3,994,140	4,881,820	4,881,820	77,610,873
2057		9,142,239	4,113,965	5,028,274	5,028,274	82,639,148
2058		9,416,506	4,237,384	5,179,122	5,179,122	87,818,270
2059		9,699,001	4,364,505	5,334,496	5,334,496	93,152,766
2060		9,989,971	4,495,440	5,494,531	5,494,531	98,647,297
	(\$27,038,235)	\$228,658,609	\$102,973,074	\$125,685,535	\$ 98,647,297	

IRR = 8.04%

Assumptions

- Revenue and expense assumptions for FY22 through FY26 can be found in the 5 Year Historical and Projected Revenues schedule. Beginning in FY27, assume 3% annual growth in project revenues and operating expenses.
- 40 year useful life of the project with no residual value.

Observations:

- IRR of 8.04% exceeds the assumed financing rate of 6.00% (for projections purposes).
- Project achieves positive cash Payback within the 40 year project useful life; achieved in 15 years.