

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
UCF Stadium Corporation
Football Stadium Improvements, \$100M

Estimated Sources and Uses of Funds

Sources of Funds ¹

Taxable Revenue Bonds	\$ 30,000,000
TDT Loan	70,000,000
Total Sources of Funds	<u><u>\$ 100,000,000</u></u>

Uses of Funds

Project Cost ²	\$ 88,000,000
Capitalized Interest ³	605,541
Debt Service Reserve (Bonds) ⁴	2,243,556
Liquidity Reserve (TDT Loan) ⁵	6,000,000
Cost of Issuance ⁶	3,150,903
Total Uses of Funds	<u><u>\$ 100,000,000</u></u>

Footnotes

1) Bonds will have a 30-year maturity, the TDT Loan a 15-year maturity. Both will have a fixed rate of interest not to exceed 6.5% (taxable). Actual rate to be determined at closing; UCF anticipates it being less.

2) Project cost includes planning and design, hard costs, FF&E, as well as contingencies [construction (\$4.4M, 5.0%) and owner's (\$13.2M, 15%)] providing a considerable margin against cost increases and scope change.

3) Represents approximately seven (7) months of interest (6.5%), to be paid from Bond proceeds, deposited into a dedicated account to pay interest-only debt service (on the Bonds) during the first 7 mos of the 18-mo construction phase. After 7 months, amortization of Bond principal begins. The TDT Loan will not have an interest-only period; it will begin amortization in the first year. UCFSC has chosen not to delay amortization during Project construction/renovation activity, as the Stadium will continue to operate, generating revenue to pay down the indebtedness.

4) A debt service reserve will provide credit enhancement to the Bond component of the financing structure. The amount is based on the "highest" annual (12 mo) debt service for the Bonds (aka: maximum annual debt service or "MADS").

5) Liquidity Reserve will be funded from proceeds of the TDT Loan and will be pledged as added security for the Loan to help fund debt service should the County contribution of TDT receipts be insufficient in a given year. When the TDT Loan is paid in full, the balance of the Liquidity Reserve will be transferred to the Bonds to make future debt service payments.

6) Cost of Issuance of \$3.15M, as estimated by Hilltop Securities (financial advisor to UCF), includes underwriter's discount, bond insurance premium, bond counsel, etc.