

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
FLORIDA INTERNATIONAL UNIVERSITY
Student Housing Facility - Parkview Hall II

Projected Debt Service Coverage - Parkview Hall II (only) ^{1, 3}

	FY2020-21	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28
<u>Operating Revenues</u>								
Room Rental	\$ -	\$ -	\$ 7,210,697	\$ 7,282,804	\$ 7,355,632	\$ 7,429,188	\$ 7,503,480	\$ 7,578,515
Parking	-	-	-	-	-	-	-	-
Bad Debt	-	-	(72,107)	(72,828)	(73,556)	(74,292)	(75,035)	(75,785)
Total Operating Revenue	-	-	7,138,590	7,209,976	7,282,076	7,354,896	7,428,445	7,502,730
<u>Operating Expenses ³</u>								
Administration Cost	-	-	53,468	54,538	55,628	56,741	57,876	59,033
Marketing / Residential Life	-	-	263,507	268,777	274,152	279,635	285,228	290,933
Utilities	-	-	444,442	453,331	462,397	471,645	481,078	490,700
Salaries and Fringe	-	-	470,807	480,223	489,827	499,624	509,616	519,809
Contractual Services	-	-	153,750	156,825	159,961	163,160	166,424	169,752
Cleaning	-	-	149,012	151,992	155,032	158,133	161,295	164,521
Repairs and Maintenance	-	-	42,414	43,262	44,127	45,010	45,910	46,828
Other Fees and Insurance	-	-	190,559	194,371	198,258	202,223	206,268	210,393
Replacement Reserve	-	-	357,035	360,605	364,211	367,854	371,532	375,247
Total Operating Expense	-	-	2,124,994	2,163,924	2,203,593	2,244,025	2,285,227	2,327,216
Net Operating Income	\$ -	\$ -	\$ 5,013,596	\$ 5,046,052	\$ 5,078,483	\$ 5,110,871	\$ 5,143,218	\$ 5,175,514
Annual Debt Service at 5% Required for all DBF Debt Issuance ⁴								
Principal	\$ -	\$ -	\$ 1,228,479	\$ 1,289,903	\$ 1,354,399	\$ 1,422,118	\$ 1,493,224	\$ 1,567,886
Interest	-	-	3,587,318	3,525,894	3,461,399	3,393,679	3,322,573	3,247,912
Total Annual Debt Service	\$ -	\$ -	\$ 4,815,797	\$ 4,815,797	\$ 4,815,798	\$ 4,815,797	\$ 4,815,797	\$ 4,815,798
Debt Service Coverage Ratio at 5% (Official Projection for Analysis) ⁴	n/a	n/a	1.04x	1.05x	1.05x	1.06x	1.07x	1.07x

Footnotes:

- 1) The financial information related to revenues and expenses was provided by the University. For the purpose of the projections, revenues and expenses increase annually by 1% and 2%, respectively, and 97% occupancy.
- 2) Estimated debt service was calculated based on the par amount of \$71.8M and an assumed 5% interest rate. Debt service for 2020-21 and 2021-22 is assumed to be paid from Capitalized Interest fund; approximately \$7.4M.
- 3) Debt service coverage for the Project (only), provided for informational purposes only. The Bonds will be issued on parity with existing Housing System debt and are payable via pledged revenues on the system as a whole, not just the Project. See schedule "Historical and Projected Debt Service Coverage - Housing System".
- 4) Bond debt service is calculated using a 5% interest rate, as currently required for DBF debt issuance. However, according to FIU, current interest rates are 100-150 basis points lower and the actual rate on the Bonds is anticipated to be well below the 5% assumed in the projections, yielding lower debt service and higher coverage.