

**STATE BOARD OF EDUCATION**  
**Project Summary**  
**Florida International University**  
**Student Housing IV (Lakeview Housing) Project**

**Project Type:** The proposed Student Housing IV (Lakeview Housing) Project will be a suite-style student residence hall with a designed housing capacity of approximately 825 beds, of which 800 beds will be revenue producing. The project will be financed from fixed rate, tax-exempt revenue bonds issued by the Division of Bond Finance of the State Board of Administration of Florida in an amount not to exceed \$36,500,000. The total estimated cost of the project is \$33,758,651, to be funded from bond proceeds, interest earnings accrued on bond proceeds, and housing auxiliary reserve funds. The project will be administered by Florida International University.

**Facility Site Location:** The Student Housing IV (Lakeview Housing) project site is located on the University Park campus of Florida International University directly east of Everglades Hall and to the South of the University Park Towers complex.

**Student Market:** The proposed project consists of newly constructed housing facilities providing students with suite-style living accommodations designed to meet the needs of undergraduate students. The housing demand, at present, exceeds current capacity by over 300 students. This count is based on a waiting list procedure used by the University for Fall 2003. The initial rental rate for the proposed facility is \$2,400 per semester for a two-bedroom suite (double occupancy) per bed and \$2,800 per semester for a four-bedroom suite (single occupancy) per bed. The rental rate projection is based on the current rental rate structure for on campus housing with annual 3.5% increases until the year 2006, when the Student Housing IV (Lakeview Housing) project is complete.

The current housing rent charged for a traditional residence hall accommodation (double occupancy) is approximately \$2,000 per semester, and a four-bedroom apartment (single occupancy bedroom) is \$2,860 per semester with all utilities, Cable TV, telephone, and unlimited fast Ethernet connection included. The current rental rate structure is competitive for the South Florida area and is comparable with the area universities and colleges.

**Physical Description:** The Student Housing IV (Lakeview Housing) project will be designed to serve undergraduate student housing requirements. The project will be comprised of two to four newly constructed buildings, with a maximum of ten stories, and be designed to house 825 residents and supporting spaces. The project will consist of 150 four bedroom/two bath, 800 square foot apartments, housing a total of four students each, and 50 two bedroom/one bath, 800 square foot apartments, housing a total of four students each. Additionally, the project includes 12,880 square feet of study/social/recreational use, 2,640 square feet for a reception/lobby area,

office and mail room, and 3,680 square feet for laundry and storage space. The support service area includes space for 20 staff assistants, and also includes five staff apartments and office/support space for housing services.

The buildings will be constructed of concrete and steel with a stucco and paint exterior finish. The project will conform to all current State of Florida code requirements, including life/safety, hurricane and ADA requirements.

**Pledged Revenues:**

Pledged revenues for the payment of debt service will include all housing system revenues derived primarily from rental income, after deducting operating expenses. In addition, excess annual revenues from certain housing facilities will be available after payment of debt service on bonds issued through the Dade County Educational Facilities Authority, and also the proposed Florida International University Student Housing Facility Revenue Bonds, Series 2004.

The Series 2004 Bonds will be issued on parity with the outstanding \$14,605,000 Florida International University Student Housing Facility Revenue Bonds, Series 2000, of which \$14,074,315 is currently outstanding; the \$26,525,000 Florida International University Student Housing Facility Revenue Bonds, Series 1998, of which \$24,919,455 is currently outstanding; and the Dade County Educational Facilities Authority Revenue Bonds, Series 1993, of which \$21,055,000 is outstanding. Additionally, the Series 2004 Bonds will have a subordinate lien on revenues generated by housing facilities at the University Park and the Biscayne Bay Campus which were funded by the Dade County Educational Facilities Authority.

**Summary of Proforma:**

The projected rental rate for the new residence hall, upon opening, is \$2,400 per bed per semester for a two-bedroom suite (double occupancy) and \$2,800 per bed per semester for a four-bedroom suite (single occupancy). The rental rate projection is based on the current rental rate structure for on campus housing with annual 3.5% increases until the year of completion (2006). The projected revenues for this project are based on an 85% occupancy rate for fall and spring semesters and 20% for the summer term. It is estimated that first year revenue for the new facility will be \$4,212,000 with operating costs not including debt service of \$1,309,374.

The assumptions for projected housing operations include a continuation of current occupancy rates, 3.5% annual increase in rental rates and 3% increase in expenses. The ending cash balance is devoted to funding building depreciation, capital improvements, and operating reserves.

**Debt Service Coverage:**

The estimated debt service coverage ratio, based on revenues of the proposed project, is 1.07 during the first year of operation (2006-2007). This ratio increases to 1.23 during 2007-2008. The estimated debt service coverage ratio for 2006-2007 for the entire Student Housing System is estimated to be 2.16.

**Student Life Program:** This facility will provide ample support service space to accommodate residential programs and activities. Areas are provided for student life activities and 20 resident assistants will be available for the 800 regular students. Special attention has been given to providing space dedicated to academic support services which has been deemed a high priority to aid in retaining freshmen students and increase graduation rates.

**Planned Opening Date:** Fall 2006