

**STATE BOARD OF EDUCATION**

Analysis of the Financial Plan for the University of South Florida Research Foundation, Inc. Interdisciplinary Research Building  
for Fiscal Year 2005-2006

(Interdisciplinary Research Building)  
(Assumes Tax-Exempt Rate of 4.75% and Taxable Rate of 6.00%)

**Sources of Funds**

**Basis for Amounts**

Bond Sale Amount	\$ 23,040,000	Series 2004A and Series 2004B Revenue Bond amount based on a variable rate estimated at 30-year rates of 4.75% for the tax-exempt portion (80% of bond or \$18,430,000) and 6.00% for the taxable portion (20% of bond or \$4,510,000)
Less: Underwriter's Discount	\$ (46,080)	Set at 2% of par.
Upfront Letter of Credit Fee	\$ (75,571)	Based on a fee of .32% (1 year paid at closing)
Cost of Issuance	\$ (414,720)	Current estimate based on 1.8% of par
Plus: Bond Rounding Amount	\$ 3,629	
<b>Total Sources of Funds</b>	<b>\$ 22,507,258</b>	

**Uses of Funds**

Deposit to Construction Fund	\$ 22,507,258	Funds will be utilized to pay off balance on bridge financing and to finance additional project costs. Additional project construction costs of \$11,323,881 to be paid from Federal Grant funds.
<b>Total Uses of Funds</b>	<b>\$ 22,507,258</b>	

**Debt Service Coverage - Fiscal Year 2005-2006**

Total lease payments received - Base rent	\$ 1,576,037	To be paid by USF to the Research Foundation in an amount equal to the actual debt service due on the Series 2004A and 2004B Bonds.
Additional Rent	\$ 752,594	To be paid by USF and tenants to the Research Foundation in an amount equal to the actual operating expenses of the building.
Research Overhead Funds	\$ 468,704	For Capital Expense Accrual Fund and payment of debt service if necessary.
Revenue Available for Debt Service	\$ 2,797,335	Estimated net revenue available for debt service during Fiscal Year 2005-2006.
Projected Operating Expenses	\$ (752,594)	Projected operating expenses to be paid from Additional Rent revenues.
Net Revenue Generated from Operations and Available for Debt Service	\$ 2,044,741	
Maximum Annual Debt Service in Any Fiscal Year	\$ (1,576,037)	
Series 2004A (Tax-exempt)	\$ 1,226,110	
Series 2004B (Taxable)	\$ 349,927	
Total	\$ 1,576,037	
Net Amount Available for Capital Expense Accrual Fund	\$ 468,704	Available for payment of debt service, if necessary
Debt Service Coverage Ratio	1.30	Does not include debt service of \$1,089,200 for the Series 1999 Bonds which are paid from Research Foundation Revenues

Notes: The University of South Florida Research Foundation, Inc. has an existing Series 1999 Bond of \$11,500,000. The minimum coverage ratio allowed by the covenants is 1.10

Par amounts and debt service levels are subject to change

\* The financial analysis is based upon information provided by the University of South Florida Research Foundation, Inc. and its financial advisor.

**STATE BOARD OF EDUCATION**

Analysis of the Financial Plan for the University of South Florida Research Foundation, Inc. Interdisciplinary Research Building  
for Fiscal Year 2005-2006

(Interdisciplinary Research Building)  
(Assumes Tax-Exempt Rate of 5.00% and Taxable Rate of 6.50%)

Sources of Funds

Basis for Amounts

Bond Sale Amount	\$ 23,040,000	Series 2004A and Series 2004B Revenue Bond amount based on a variable rate estimated at 30-year rates of 5.00% for the tax-exempt portion (80% of bond or \$18,430,000) and 6.50% for the taxable portion (20% of bond or \$4,510,000).
Less: Underwriter's Discount	\$ (46,080)	Set at 2% of par.
Upfront Letter of Credit Fee	\$ (75,571)	Based on a fee of .32% (1 year paid at closing).
Cost of Issuance	\$ (414,720)	Current estimate based on 1.8% of par.
Plus: Bond Rounding Amount	\$ 3,629	
<b>Total Sources of Funds</b>	<b>\$ 22,507,258</b>	

Uses of Funds

Deposit to Construction Fund	\$ 22,507,258	Funds will be utilized to pay off balance on bridge financing and to finance additional project costs. Additional project construction costs of \$11,323,881 to be paid from Federal Grant funds.
<b>Total Uses of Funds</b>	<b>\$ 22,507,258</b>	

Debt Service Coverage - Fiscal Year 2005-2006

Total lease payments received - Base rent	\$ 1,615,584	To be paid by USF to the Research Foundation in an amount equal to the actual debt service due on the Series 2004A and 2004B Bonds.
Additional Rent	\$ 752,594	To be paid by USF and tenants to the Research Foundation in an amount equal to the actual operating expenses of the building.
Research Overhead Funds	\$ 468,704	For Capital Expense Accrual Fund and payment of debt service, if necessary.
Revenue Available for Debt Service	\$ 2,836,882	Estimated net revenue available for debt service during Fiscal Year 2005-2006.
Projected Operating Expenses	\$ (752,594)	Projected operating expenses to be paid from Additional Rent revenues.
<b>Net Revenue Generated from Operations and Available for Debt Service</b>	<b>\$ 2,084,288</b>	
Maximum Annual Debt Service in Any Fiscal Year	\$ (1,615,584)	
Series 2004A (Tax-exempt)	\$ 1,246,897	
Series 2004B (Taxable)	\$ 368,687	
Total	\$ 1,615,584	
<b>Net Amount Available for Capital Expense Accrual Fund</b>	<b>\$ 468,704</b>	Available for payment of debt service, if necessary.
Debt Service Coverage Ratio	1.29	Does not include debt service of \$1,089,200 for the Series 1999 Bonds which are paid from Research Foundation Revenues.

Notes: The University of South Florida Research Foundation, Inc. has an existing Series 1999 Bond of \$11,500,000. The minimum coverage ratio allowed by the covenants is 1.10.

Par amounts and debt service levels are subject to change.

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**STATE BOARD OF EDUCATION**

Analysis of the Financial Plan for the University of South Florida Research Foundation, Inc. Interdisciplinary Research Building  
for Fiscal Year 2005-2006

(Interdisciplinary Research Building)  
(Assumes Tax-Exempt Rate of 6.00% and Taxable Rate of 7.00%)

Sources of Funds

Basis for Amounts

Bond Sale Amount	\$ 23,040,000	Series 2004A and Series 2004B Revenue Bond amount based on a variable rate estimated at 30-year rates of 6.00% for the tax-exempt portion (80% of bond or \$18,430,000) and 7.00% for the taxable portion (20% of bond or \$4,510,000).
Less: Underwriter's Discount	\$ (46,080)	Set at 2% of par.
Upfront Letter of Credit Fee	\$ (75,571)	Based on a fee of .32% (1 year paid at closing).
Cost of Issuance	\$ (414,720)	Current estimate based on 1.8% of par.
Plus: Bond Rounding Amount	\$ 3,629	
<b>Total Sources of Funds</b>	<b>\$ 22,507,258</b>	

Uses of Funds

Deposit to Construction Fund	\$ 22,507,258	Funds will be utilized to pay off balance on bridge financing and to finance additional project costs. Additional project construction costs of \$11,323,881 to be paid from Federal Grant funds.
<b>Total Uses of Funds</b>	<b>\$ 22,507,258</b>	

Debt Service Coverage - Fiscal Year 2005-2006

Total lease payments received - Base rent	\$ 1,787,706	To be paid by USF to the Research Foundation in an amount equal to the actual debt service due on the Series 2004A and 2004B Bonds.
Additional Rent	\$ 752,594	To be paid by USF and tenants to the Research Foundation in an amount equal to the actual operating expenses of the building.
Research Overhead Funds	\$ 468,704	For Capital Expense Accrual Fund and payment of debt service, if necessary.
Revenue Available for Debt Service	\$ 3,009,004	Estimated net revenue available for debt service during Fiscal Year 2005-2006.
Projected Operating Expenses	\$ (752,594)	Projected operating expenses to be paid from Additional Rent revenues.
Net Revenue Generated from Operations and Available for Debt Service	\$ 2,256,410	
Maximum Annual Debt Service in Any Fiscal Year	\$ (1,787,706)	
Series 2004A (Tax-exempt)	\$ 1,400,651	
Series 2004B (Taxable)	\$ 387,055	
Total	\$ 1,787,706	
Net Amount Available for Capital Expense Accrual Fund	\$ 468,704	Available for payment of debt service, if necessary.
Debt Service Coverage Ratio	1.26	Does not include debt service of \$1,089,200 for the Series 1999 Bonds which are paid from Research Foundation Revenues.

Notes: The University of South Florida Research Foundation, Inc. has an existing Series 1999 Bond of \$11,500,000. The minimum coverage ratio allowed by the covenants is 1.10.

Par amounts and debt service levels are subject to change.

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