

FLORIDA BOARD OF EDUCATION DIVISION OF COLLEGES AND UNIVERSITIES
Analysis of the Financial Plan for USF Residence Life Enhancement Project - Phase IIA
for Fiscal Year 2003-2004*
(Housing System)

Sources of Funds

Basis for Amounts

Series 2002 Certificates of Participation Par Amount	\$ 23,360,000	Maximum Series 2002 Certificates of Participation amount based on an interest rate of 6% for 30 years. The bond sizing assumes the issuance of variable rate debt, no interest rate cap, and no upfront credit enhancement premium. The 6% interest rate is inclusive of ongoing fees for remarketing, liquidity, and credit enhancement. It is anticipated that the variable rate will be converted to a fixed rate for at least the first five year.
Less: Cost of Issuance	(223,000)	Estimated cost for bond counsel and other costs associated with the issuance of the Series 2002 Certificates of Participation.
Underwriter's Discount	(70,080)	Assumed to be \$3.00 per thousand.
Net Bond Proceeds	23,066,920	
Plus: Interest Earnings (Construction Fund)	486,786	Estimate is based on net bond proceeds on deposit in the 2002 Project Construction Fund, invested for 23 months at an interest rate of 2.5% with a declining balance
Plus: Interest Earnings (Capitalized Interest Account)	62,369	Estimate is based on net bond proceeds on deposit in the Capitalized Interest Account invested through October 1, 2003 at an interest rate of 2.5% with a declining balance
Total Sources of Funds	\$ 23,616,075	

Uses of Funds

Planning, Construction & Equipment (Including contingency for construction)	\$ 21,248,928	The construction cost for Andros Corners is \$106.13 per square foot. The total project cost is \$36,312 per bed and \$132.35 per square foot. The construction cost for Special Purpose Housing is \$103.48 per square foot. The total project cost is \$37,542 per bed and \$126.89 per square foot. This cost is comparable to Holly I and Holly II that were built at a total project cost of \$33,050 per bed and \$106 per square foot (including commons space). Additional costs will be incurred for the reconfiguration of a parking lot (\$100,000) and the demolition of the Village Complex (\$647,678). These costs and an additional amount of \$73,322 will be paid auxiliary revenues and excess funds from the Series 2000 Construction Fund
Debt Service Reserve Account	N/A	Variable rate financing does not require a debt service reserve fund
Estimated Interest to be Paid During Construction (Capitalized Interest)	2,367,147	Capitalized interest through and including the October 1, 2003 debt service payment at 6%.
Total Uses of Funds	\$ 23,616,075	

Debt Service Coverage - Housing System

Total USF Housing System Revenue (Excludes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing) (Includes Gamma Hall)	\$ 5,601,829	Based on projected rental rates, an occupancy rate of 95% and other revenues generated by the USF Housing System during 2003-2004. Village Complex demolished. Beta Hall closed for renovations.
Less: Operating Costs (Excludes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing) (Includes Gamma Hall)	(4,066,725)	Projected operating expenditures for the USF Housing System during 2003-2004. Village Complex demolished. Beta Hall closed for renovations.
Less: Prior Lien Debt Service	(1,054,313)	The Series 1965 Certificates have a senior lien on the revenues generated by Andros II. The Series 1983 Bonds have a senior lien on the revenues generated by the Village Complex. The Series 1996A Bonds have a senior lien on the revenues generated by the remaining housing facilities
Less: Building Maintenance and Equipment Reserve Fund	(168,055)	Pursuant to Chancellor's Memorandum CM-D-31.00-02/97. Based on 3% of total operating revenues
Revenue Available for Debt Service from USF Housing System	\$ 312,737	
Total Revenue - Foundation Housing System (Includes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing)	\$ 8,514,596	Based on projected rental rates, an occupancy rate of 95% and other revenues generated during 2003-2004 by the student housing facilities financed through the USF Foundation.
Less: Operating Costs-Foundation Housing System (Includes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing)	\$ (2,897,101)	Projected operating expenditures generated during 2003-2004 by the student housing facilities financed through the USF Foundation.
Revenue Available for Debt Service from USF Foundation Housing System	\$ 5,617,495	
Total Revenue Available for Debt Service	\$ 5,930,232	
Estimated Annual Debt Service	4,379,925	Debt service payment for the outstanding Series 1999 and Series 2000 Certificates of Participation and the proposed Series 2002 Certificates Includes interest due 4/1/04, with interest and principal due 10/1/04.

Debt Service Coverage Ratio **1.35**

* The financial analysis is based upon information provided by the University of South Florida and Public Financial Management, Inc., as financial advisor to the University of South Florida Foundation

FLORIDA BOARD OF EDUCATION DIVISION OF COLLEGES AND UNIVERSITIES
Analysis of the Financial Plan for FAMU Housing Phase IV Revenue Bonds
for Fiscal Year 2004-2005*

(Student Housing Phase IV, Only)

Sources of Funds

Basis for Amounts

Bond Sale Amount	\$ 13,255,000.00	Maximum Series 2002 Bond sale amount based on an interest rate of 7.00% for 30 years. The bonds will be issued as fixed-rate, tax exempt bonds through the Division of Bond Finance.
Less: Underwriter's Discount	\$ (132,550.00)	Estimate is based on a 1.00% discount rate.
Bond Insurance	\$ (238,631.00)	Estimate is based on .75% of total debt service payments.
Cost of Issuance (including Arbitrage Fee)	\$ (85,937.00)	Estimated by the Division of Bond Finance based upon comparable bond issues.
Net Bond Proceeds	\$ 12,797,882.00	
Plus: Interest Earnings (Construction Trust Fund)	\$ 264,827.00	Estimate is based on the net bond proceeds on deposit in the 2002 Project Construction Fund invested for 16 months at an interest rate of 3.50%.
Total Sources of Funds	\$ 13,062,709	

Uses of Funds

Planning, Construction & Equipment	\$ 10,730,847.00	The construction cost for Florida A & M University Student Apartment Facility is \$96.75 per square foot. The total project cost is \$29,808 per bed and \$114.36 per square foot. This cost is favorably comparable to construction cost for the University of South Florida Holly I and Holly II projects that were built at a total project cost of \$33,050 per bed and \$128.00 per square foot.
Debt Service Reserve Account	1,094,300.00	Equivalent to the highest debt service payment due during the period the Series 2002 Bonds are outstanding. It is anticipated that a debt service reserve account surety bond will be purchased, resulting in a lower cost.
Estimated Interest to be Paid During Construction (Capitalized Interest)	1,237,142.00	Capitalized interest through and including a portion of the debt service payment due July 1, 2004 .
Rounding/Contingency Amount	420.00	
Total Uses of Funds	\$ 13,062,709.00	

Debt Service Coverage -

Total Phase IV Revenue	\$ 1,770,292.00	Based on projected rental fees and other revenues generated Phase IV during 2004-2005. This represents the first full year of operation.
Less: Operating Costs	(458,848.00)	Projected operating expenditures for Phase IV during 2004-2005.
Revenue Available for Debt Service From Housing System Revenue	\$ 1,311,444.00	
Annual Debt Service - Series 2002 Bonds	1,092,850.00	Debt Service payment for the Series 2002 Bonds for 2004-2005.
Debt Service Coverage Ratio	1.20	

* The financial analysis is based upon information provided by Florida A & M University.