

**FLORIDA BOARD OF EDUCATION
DIVISION OF COLLEGES AND UNIVERSITIES
Project Summary
Florida Agricultural and Mechanical University
(Student Apartment Facility)**

- Project Type:** Construction of a 75 unit apartment style residence hall with 360 beds. 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 \$13,255,000. Construction of the project will be administered by the University.
- Facility Site Location:** The proposed site is consistent with the University Master Plan. It is within the northwest quadrant of the main campus, immediately east of Perry Street between Eugenia Street and Wailes Street.
- Market:** The primary targeted market for this facility will be single undergraduate and graduate students.
- Demand:** The University currently has an enrollment headcount of 12,347 students. The expected annual growth rate is projected at no less than 2%. During the last four years, the waiting list for students desiring on-campus housing facilities ranged from 630 to 750 students. Approximately 40% of these students are ultimately placed in University housing accommodations, with the remaining students being referred to off-campus housing facilities. The occupancy rate for 2001-2002 was 106%.
- Physical Description:** The project consists of 75 living units. It will provide for 360 bed spaces and related supporting facilities. Each unit has a living room, dining room, kitchenette, two bathrooms, mechanical room, closets, storage, and bedrooms. In addition, the new facility will have an activities room, computer room, reading room, and a laundry room. The total square feet is 93,834.
- Pledged Revenues:** Revenues generated from the operation of the housing system will be pledged for the payment of debt service. The Series 2002 Bonds will be issued on a parity with the outstanding \$7,400,000 of State of Florida, Board of Regents, Florida A & M University Student Apartment Facility Revenue Bonds, Series 1992 and the outstanding \$11,185,000 State of Florida, Board of Regents, Florida A & M University Student Apartment Facility Revenue Bonds, Series 1996. There are currently outstanding principal amounts of \$6,495,000 and \$10,415,000, respectively.

Debt Service Coverage: The projected debt service coverage ratio in 2004-2005 for the housing system, including the proposed student apartment facility, is 1.52 based on a principal amount of \$13,255,000 for the Series 2002 Bonds. The debt service coverage ratio is 1.20, for only the proposed student apartment facility. Estimated debt service is calculated at an interest rate of 7.00% through maturity in the year 2032. Interest has been capitalized through and including the debt service payment due on July 1, 2004.

Summary of Proforma: The projected revenues of the proposed project are based on a rental rate of \$544.95 a month per bed space for single occupancy and \$480.20 a month per bed space for double occupancy. The proposed project assumes a collection rate of 98% of revenues. Occupancy rates for the new student apartment facility are projected to be 95%, 95% and 60% for the Fall, Spring and Summer semesters respectively. The annual estimated earnings are \$1,770,292.

Current off campus average monthly rental rates per bed are \$426 for a four bedroom facility, \$452 for a three bedroom facility, and \$547 for a two bedroom facility. Proposed on-campus rental rates for 2002-2003 range from \$407 to \$469, depending upon the type of accommodations.

Improvements to Housing Facilities: Since 1998, the University has completed \$1,254,717 of life safety improvements to the existing housing facilities. These include smoke detectors in all sleeping quarters, emergency lighting in all corridors and stairways, repair of the sprinkler system in the attic of Young Hall, and repairs to the roof at Polkinghorne Village . Routine annual maintenance projects are also initiated.

Current Housing: Florida Agricultural and Mechanical University's campus currently has the capacity to house 2,222 students in on-campus dormitory facilities and 720 students in on-campus contemporary apartment facilities. Students may choose from five different types of living accommodations, which include co-ed, family, family/single student and garden style apartments. A special interest housing program is also available as a campus co-op program.

Student Life Programs: The facility will be operated by the University and will provide one resident assistant for every 42 students.

Proposed Occupancy: It is anticipated that the proposed student apartment facility will be completed for the Fall, 2004 semester.