

STATE BOARD OF EDUCATION
Analysis of the Financial Plan for FGCU Residence Life Plan, Phase VI
(North Lake Village, Phase VI)
for Fiscal Year 2004-2005*

(North Lake Village, Phase VI Only)

ASSUMES INTEREST RATE OF 5%

<u>Sources of Funds</u>		<u>Basis for Amounts</u>
Bond Sale Amount	\$ 9,000,000	Series 2003 Revenue Bonds amount to finance North Lake Village, Phase VI based on an interest rate of 5.0% for 30 years. The bonds will be issued as fixed or variable rate debt by the Florida Gulf Coast University Financing Corporation, Inc.
Less: Cost of Issuance	\$ (180,000)	Estimated Phase VI costs associated with the issuance of the Series 2003 Revenue Bonds.
Net Bond Proceeds	\$ 8,820,000	
Plus: Interest Earnings (Construction Trust Fund)	\$ 90,000	Estimate is based on the net bond proceeds on deposit in the 2003 Project Construction Fund invested for 12 months at an interest rate of 2.00%, declining balance.
Total Sources of Funds	\$ 8,910,000	
 <u>Uses of Funds</u>		
Planning, Construction & Equipment (including contingency for construction)	\$ 8,610,000	Cost of design, construction, oversight and equipment. The project cost is \$26,883 per bed or \$99 per gross square foot. This is comparable to the project cost of Phase V of \$99 per square foot and \$26,883 per bed.
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)	\$ 300,000	Estimated capitalized interest through and including the August 31, 2004 debt service payment.
Total Uses of Funds	\$ 8,910,000	
 <u>Debt Service Coverage - North Lake Village Phase VI</u>		
Operating Revenues: North Lake Village, Phase VI Only	\$ 1,139,609	Based on projected housing revenues generated by Phase VI during fiscal year 2004-2005, the first complete year of operations. Assumes a 90% occupancy rate for Fall semester and 85% for the Spring semester, and no Summer income for Phase VI.
Less: Operating Costs	\$ (474,210)	Projected operating expenditures for Phase VI during 2004-2005.
Revenue Available for Debt Service From Housing System Revenue	\$ 665,399	
Total Debt Service 2004-2005	\$ 595,000	Debt service payment for the proposed Series 2003 Revenue Bonds attributable to Phase VI only.
Debt Service Coverage Ratio	1.12	

* The financial analysis is based upon information provided by Florida Gulf Coast University