

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA**

Preliminary Cash Flow Analysis

Florida Atlantic University

Innovation Village Project

Fiscal Year Ending June 30,	2012	2013	2014	2015	2016	2017	2018	2019
EXISTING HOUSING UNITS								
Housing Fees, Interest Income & Other Operating Revenue	15,955,297	16,433,956	16,926,974	17,434,784	17,957,827	18,496,562	19,051,459	19,623,002
LESS: Annual Debt Service (Existing Units)	5,761,935	5,766,685	5,765,723	5,761,904	5,765,904	5,773,266	5,772,516	5,768,798
Annual Operating Expenses	7,245,504	7,462,869	7,686,755	7,917,357	8,154,878	8,399,524	8,651,510	8,911,055
Existing Units Net Revenue	2,947,858	3,204,402	3,474,497	3,755,522	4,037,045	4,323,771	4,627,432	4,943,150
Debt Service Coverage Ratio	1	1.51	1.56	1.60	1.65	1.70	1.75	1.80
NEW HOUSING at INNOVATION VILLAGE								
Existing Units Net Revenue	\$2,947,858	\$3,204,402	\$3,474,497	\$3,755,522	\$4,037,045	\$4,323,771	\$4,627,432	\$4,943,150
Rental Revenue	\$10,956,400	\$11,285,092	\$11,623,645	\$11,972,354	\$12,331,525	\$12,701,470	\$13,082,515	\$13,474,990
LESS: Student Vacancies	547,820	564,255	581,182	598,618	616,576	635,074	654,126	673,750
Summer Revenue	2,191,280	2,257,018	2,324,729	2,394,471	2,466,305	2,540,294	2,616,503	2,694,998
LESS: Summer Vacancies	2,191,280	1,918,466	1,976,020	2,035,300	2,096,359	2,159,250	2,224,027	2,290,748
Net Rental Revenues	10,408,580	11,059,390	11,391,172	11,732,907	12,084,894	12,447,441	12,820,864	13,205,490
Other Revenues	130,089	133,992	138,011	142,152	146,416	150,809	155,333	159,993
Investment Earnings on DSRF ³	0	177,158	177,158	177,158	177,158	177,158	177,158	177,158
New Housing Net Revenue	10,538,669	11,370,540	11,706,341	12,052,217	12,408,468	12,775,408	13,153,355	13,542,641
Total Net Revenues	\$13,486,527	\$14,574,942	\$15,180,838	\$15,807,739	\$16,445,514	\$17,099,179	\$17,780,787	\$18,485,791
Rental	\$31,000	\$31,930	\$32,888	\$33,875	\$34,891	\$35,937	\$37,016	\$38,126
Payroll	689,895	717,491	746,190	776,038	807,080	839,363	872,937	907,855
Operating Administrative	537,497	573,280	590,478	608,193	626,439	645,232	664,589	684,526
Trust Administrative	116,387	124,793	128,537	132,393	136,365	140,456	144,669	149,009
Common Area	61,000	62,830	64,715	66,656	68,656	70,716	72,837	75,022
Ground	24,000	24,720	25,462	26,225	27,012	27,823	28,657	29,517
Utilities	1,273,172	1,311,367	1,350,708	1,391,229	1,432,966	1,475,955	1,520,234	1,565,841
Interior Unit Expenses	152,120	156,684	161,384	166,226	171,212	176,349	181,639	187,088
Maintenance	21,600	62,212	64,078	66,001	67,981	70,020	72,121	74,284
Taxes & Insurance	379,375	390,756	402,479	414,553	426,990	439,800	452,994	466,583
Replacement Reserve	243,600	250,908	258,435	266,188	274,174	282,399	290,871	299,597
Non-Cash Items	4,500	4,635	4,774	4,917	5,065	5,217	5,373	5,534
Bond Trustee & Rating Agency Fees	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Total Operating Expenses	\$3,554,146	\$3,731,606	\$3,850,129	\$3,972,495	\$4,098,830	\$4,229,266	\$4,363,937	\$4,502,985
Net Operating Income	\$9,932,381	\$10,843,336	\$11,330,709	\$11,835,244	\$12,346,684	\$12,869,913	\$13,416,850	\$13,982,806
Annual Debt Service (Senior A Bonds)	2,706,526	7,735,663	8,091,563	8,448,588	8,812,288	8,857,313	8,855,963	8,857,638
Debt Service Coverage	3.67	1.40	1.40	1.40	1.40	1.45	1.52	1.58
Breakeven Occupancy (New Beds w Existing Net Revenue)	24.21%	58.72%	58.44%	58.09%	57.78%	55.34%	52.61%	49.97%
Breakeven Occupancy (New Bed Revenue Only)	46.63%	82.38%	83.35%	84.23%	85.06%	83.71%	82.09%	80.54%
Net Cash Flow (Before Junior B Bonds)	\$7,225,855	\$3,107,673	\$3,239,147	\$3,386,657	\$3,534,396	\$4,012,601	\$4,560,888	\$5,125,168
Annual Debt Service (Junior B Bonds)	651,994	303,864	306,067	302,871	304,675	306,080	307,085	302,690
Debt Service Coverage	2.96	1.35	1.35	1.35	1.35	1.40	1.46	1.53
Net Cash Flow (Before Subordinate C Bonds)	\$6,573,861	\$2,803,810	\$2,933,080	\$3,083,786	\$3,229,721	\$3,706,521	\$4,253,803	\$4,822,478
Annual Debt Service (Subordinate C Bonds)	2,231,909	1,005,375	1,007,513	1,003,725	1,004,475	1,004,300	1,003,200	1,006,175
Debt Service Coverage	1.78	1.20	1.20	1.21	1.22	1.27	1.32	1.38
Net Cash Flow	\$4,341,952	\$1,798,435	\$1,925,567	\$2,080,061	\$2,225,246	\$2,702,221	\$3,250,603	\$3,816,303

¹ The financial information related to the revenues and expenses for the existing housing facilities was provided by the University.

² Includes Series 2003, Series 2006 and Series 2006A bonds.

³ Based on an interest rate of 2.00%.

⁴ Debt service is shown net of capitalized interest.

