University System of Georgia
On-Campus Privatized Housing Initiative
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Summary
The Board of Regents of the University System of Georgia invites and welcomes your participation in a process to select an investor/developer who will acquire a leasehold interest in existing on-campus housing and develop new on-campus housing.

Goals & Objectives

Transaction Details
Transaction Highlights
The Economics of the Transaction

RFQ & RFP
Timeline
Content & Goals
Goals & Objectives

Main Objectives

Portfolio Details

2013 Occupancy Overview
Main Objectives

1. Provide affordable, safe, quality housing options for students choosing to live on campus.

2. Provide additional housing for USG students without incurring additional BOR capital liability obligations.

3. Reduce the amount of BOR capital liability obligations associated with the portfolio of existing housing assets.

4. Leverage private sector efficiencies in the design, construction, operations and maintenance of student housing.

5. Develop a relationship between the institutions and investor/developer to attract students to live on-campus and to enhance the college experience for these students.
1. Provide affordable, safe, quality housing options for students choosing to live on campus.
2. Provide additional housing for USG students without incurring additional BOR capital liability obligations.
3. Reduce the amount of BOR capital liability obligations associated with the portfolio of existing housing assets.
4. Leverage private sector efficiencies in the design, construction, operations and maintenance of student housing.
5. Develop a relationship between the institutions and investor/developer to attract students to live on-campus and to enhance the college experience for these students.
University System of Georgia - 31 Institutions / 309,469 Students

Research Universities
- Georgia Institute of Technology
- Georgia Regents University
- Georgia State University
- University of Georgia

Comprehensive Universities
- Georgia Southern University
- Kennesaw State University
- University of West Georgia
- Valdosta State University

State Universities
- Albany State University
- Armstrong Atlantic State University
- Clayton State University
- Columbus State University
- Fort Valley State University
- Georgia College & State University
- Georgia Southwestern State University
- Savannah State University
- Southern Polytechnic State University
- University of North Georgia

State Colleges
- Abraham Baldwin Agricultural College
- Atlanta Metropolitan State College
- Bainbridge State College
- College of Coastal Georgia
- Dalton State College
- Darton State College
- East Georgia State College
- Georgia Military College
- Georgia Highlands College
- Georgia Perimeter College
- Gordon State College
- Middle Georgia State College
- South Georgia State College
Research Universities
Georgia Institute of Technology
Georgia Regents University
Georgia State University
University of Georgia

Comprehensive Universities
Georgia Southern University
Kennesaw State University
University of West Georgia
Valdosta State University

State Universities
Albany State University
Armstrong Atlantic State University
Clayton State University
Columbus State University
Fort Valley State University
Georgia College & State University
Georgia Southwestern State University
Savannah State University
Southern Polytechnic State University
University of North Georgia

State Colleges
Abraham Baldwin Agricultural College
Atlanta Metropolitan State College
Bainbridge State College
College of Coastal Georgia
Dalton State College
Darton State College
East Georgia State College
Georgia Gwinnett College
Georgia Highlands College
Georgia Perimeter College
Gordon State College
Middle Georgia State College
South Georgia State College
Phase I

Campuses under evaluation for inclusion in portfolio
Overall Occupancy

- Georgia State University: 100%
- Abraham Baldwin Agricultural College: 99%
- Armstrong Atlantic State University: 88%
- College of Coastal Georgia: 100%
- University of North Georgia: 100%
- East Georgia State College: 98%
- Columbus State University: 97%
- Dalton State College: 100%

Overall Occupancy: 98%
1. The BOR seeks to have one investor/developer acquire the entire portfolio, as well as develop the additional housing.
1. The BOR seeks to have one investor/developer acquire the entire portfolio, as well as develop the additional housing.
2. Acquisition on existing housing to be completed in spring 2014.
3. New housing to be developed for occupancy fall semester 2015 & 2016.
4. The purchaser will complete the transaction directly with the BOR; board approvals and defeasance obligations will be the responsibility of BOR.
The Economics of the Transaction
• Stakeholder commitment
• Unique on-campus student housing portfolio
• A secure, growing cash flow through the hold period
Annual Revenue

Net Operating Income

Pre-paid Base Rent
Net Operating Income

Pre-paid Base Rent

Periodic Base Rent
Pre-paid Base Rent

Periodic Base Rent

Additional Rent
Periodic Base Rent

Additional Rent

Contingent Rent
Sources of Additional Rent:

- Resident Life
- Security
- Rent Collection
Contingent Rent
Content & Goals

- Qualify Potential Bidders
- Transaction Structure
- Underwrite Deal
Qualify Potential Bidders
Transaction Structure
Two options are currently under evaluation:
- A **50** year leasehold interest
- A **65** year leasehold interest
Underwrite Deal
Timeline
Developer Final Proposal Due

Developer Interviews

Developer Proposals Due

Campus Tours

Developer Pre-proposal Conference

RFP Issued

Finalize Short List Developers

RFQs Response Due Date

RFQ Release
New Student Housing is Occupied

New construction ends

Begin Construction of New Housing

Closing on Existing Housing

Board of Regents Approves Developer, Ground Lease, and Other Documents

Developer Final Proposal Due

Developer Interviews
Summary

The Board of Regents of the University System of Georgia invites and welcomes your participation in a process to select an investor/developer who will acquire a leasehold interest in existing on-campus housing and develop new on-campus housing.
Questions?
Contact Information

For Existing Housing

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