

Terms of the Deal

HIGHLIGHTS



| Term | Benefits to the USG P3 Program |
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| Providing affordability and unit choice for all USG students | <ul style="list-style-type: none"> ✓ Affordable rental rates for students ✓ Enhanced building design standards ✓ Creation of Living Learning Communities ✓ Campus provides Residence Life services ✓ Concessionaire responsible for maintenance and operations |
| Unique governance structure | <ul style="list-style-type: none"> ✓ Unique joint governance structure ✓ Campus and BOR serve as primary stakeholders ✓ Use of Portfolio Management Committee ✓ Individual campus Management Committees and Operating Teams |
| Innovative direct lending approach | <ul style="list-style-type: none"> ✓ Guaranteed annual base rent ✓ \$325 Million toward defeasance of existing housing bonds ✓ \$10 Million payment of prepaid base rent to the BOR ✓ \$164 Million for new construction of 3,683 beds |
| Direct lending financial solution | <ul style="list-style-type: none"> ✓ More funds available for development by the elimination of Debt Service Reserve Fund ✓ Approximately \$518 Million in private capital to be provided by institutional lenders ✓ \$5.6 million upfront investment in deferred maintenance |
| In excess of \$8 Billion provided to BOR in Contingent Rent/Reinvestment Reserve Funds/Capital Reserve/ Retained Services over the 65 year term of the Partnership | <ul style="list-style-type: none"> ✓ Capital Repair and Replacement Fund in excess of \$230 Million ✓ Rental payments to BOR and Institutions of \$3.7 Billion ✓ Contingent Rent projected to be in excess of \$2 Billion ✓ Reinvestment Reserve for reconstruction projected to be in excess of \$2 Billion ✓ Concessionaire paid based on performance |
| In excess of \$2 Billion in Reinvestment Reserve deposits over 65 years for a robust Out-Year Development Program | <ul style="list-style-type: none"> ✓ Provides funding of renovations and replacement of housing throughout 65 year term ✓ Housing returned in like-new condition at lease-end ✓ Provides mechanism to respond to unforeseen conditions |
| OPEX efficiencies | <ul style="list-style-type: none"> ✓ Substantial reduction in annual operating expenses ✓ Leveraging private sector experience ✓ Leveraging private sector purchasing power ✓ Industry best practices |
| Economic development with local and small businesses | <ul style="list-style-type: none"> ✓ Commitment to use local and small businesses ✓ Focus on Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) firms ✓ Over \$164 Million in construction activity throughout the state of Georgia |

