

AMENDMENT 1

Request for Qualified Concessionaires Regarding Investment in and Development of Student Housing Board of Regents of the University System of Georgia

Originally Released April 19, 2018

May 17, 2018

The following are revisions to certain provisions that were included under Section 3.3 of the Request for Qualified Concessionaire (RFQC) issued on April 19, 2018.

1. *"All obligations of the concessionaire under the master concession agreement will be guarantied by its parent company or another third party having total assets of not less than \$500 million and total current assets of not less than \$50 million. Obligations include, but are not limited to, all Project operating expenses, debt service payments (if applicable) and required reserve deposits pursuant to a performance guaranty agreement."*
 - The BOR will not require that all obligations of the concessionaire under the master concession agreement be guarantied by its parent company or another third party. The BOR will prioritize proposed governance and finance structures that provide guarantees and/or align long-term interests between the BOR and the concessionaire for the financial performance of the project. The BOR encourages Respondents to provide thoughtful responses to Section 5.2, questions 8 and 9.
2. *"The concessionaire will assume risks for occupancy, enrollment and potential future consolidation of USG institutions under the DBFOM"*
3. *The BOR will retain the authority to set, modify, or eliminate any residency requirement at the institutions."*
 - For provisions #2 and #3 above, the Project will not impact the ability of the BOR to take any future action related to consolidation of USG institutions or the setting, modification, or elimination of any residency requirements. However, the BOR is willing to consider that any such future action taken by the BOR that has a direct material adverse effect on the Project may result in a compensation event. This issue will be discussed in more detail with the Qualified Proposers. Respondents are encouraged to provide suggestions for such potential compensation events in their responses to Section 5.2, question 9.
4. *"Housing fee rates will be subject to approval by the BOR and will not be subject to a rate covenant or any similar type of agreement. Historically, housing fee rates have increased less than 3% per year."*

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- Student affordability is one of the highest priorities of the BOR. The BOR may be willing to consider governance and financing alternatives that could compel the BOR to increase housing fee rates in the future. The BOR has a strong preference for proposed structures that include caps on future housing fee rate increases and encourage student affordability. Respondents are encouraged to provide suggestions for such potential compensation events in their responses to Section 5.2, question 9.

With this notice, the BOR is allowing Respondents another opportunity to provide questions for the RFQC, which will be due on May 24, 2018. The BOR will provide answers to those questions on or before May 30, 2018.

Section 5.2 of the RFQC is amended to provide as follows:

- The total response should be limited to 50 pages and all pages should be numbered.
- The response to Question 9 is limited to 10 pages.

The date for RFQC responses is changed from **June 1, 2018** to **June 11, 2018**.

The Timeline for the RFQC as outlined in Section 5.4 is modified below:

5.4 Timeline

The approximate timing for the RFQC and RFP process will be as follows:

| Step | Event | Date |
|------|--|---------------------------|
| 1 | RFQC Posted | April 19, 2018 |
| 2 | Deadline for Notice of Inability to Participate | April 27, 2018 |
| 3 | Deadline for Questions to the RFQC & Notice of Intent to Participate | May 7, 2018 |
| 4 | Responses to Questions Posted | On or before May 14, 2018 |
| 5 | Amendments/Clarifications to Notices of Inability Posted | May 17, 2018 |
| 6 | Second Question Period Open | May 17, 2018 |
| 7 | Deadline for Questions to the RFQC (Second Question Period) | May 24, 2018 |
| 8 | Responses to Questions Posted (Second Question Period) | On or before May 30, 2018 |
| 9 | RFQC Responses Due | June 11, 2018 |

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| Step | Event | Date |
|------|---|----------------------------|
| 10 | Qualified Proposers Announced | On or before June 22, 2018 |
| 11 | One-on-One Discussions with Qualified Proposers | July 2018 |
| 12 | Campus Tours | August 2018 |
| 13 | RFP Released to Qualified Proposers | August 2018 |
| 14 | Final RFP Response Due | October 2018 |
| 15 | Issuance of Notice of Award | December 2018 |
| 16 | Sign Operative Agreements, Commercial Close | January 2019 |
| 17 | Financial Close | March 2019 |
| 18 | Begin Construction | May 2019 |
| 19 | Transition of Existing Housing From the BOR to the Concessionaire | June/July 2019 |
| 20 | Completion of Student Housing Development at Proposed Campuses | July 1, 2020 |