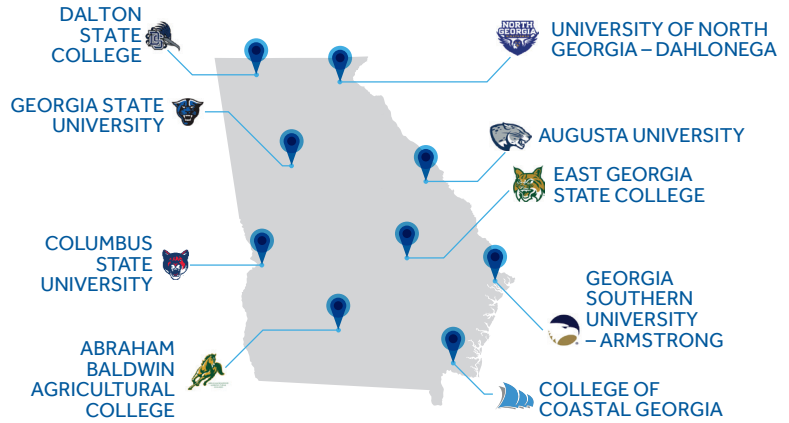




# UNIVERSITY SYSTEM OF GEORGIA – PHASE I

STATEWIDE, GEORGIA



The University System of Georgia and Corvias are partners in designing, building, operating and maintaining quality housing across the state of Georgia.

University System of Georgia – Phase I, includes: Abraham Baldwin Agricultural College, Georgia Southern University Armstrong Campus, College of Coastal Georgia, Columbus State University, Dalton State College, East Georgia State College, Augusta University, Georgia State University, and University of North Georgia.

### PROJECT SCOPE

The Board of Regents (BOR) of the University System of Georgia (USG) are partnering with Corvias to design, build, renovate, manage, and maintain student housing in the first phase of an unprecedented public-private partnership, for student housing across a portfolio of nine campuses. The partnership leverages Corvias' innovation and efficiencies to ensure all residents have access to affordable, safe, and sustainable housing. Additionally, this partnership allows the BOR, and each institution, the freedom and financial capacity to focus on its core mission of attracting and educating a growing number of college students. The partnership includes construction, operation, and maintenance of 3,753 new beds, as well as 6,195 existing beds, totaling over three million square feet, across all nine campuses. Each development program is tailored to the needs of each individual school, allowing them to adhere to their own strategic plan.

### FINANCING

The USG portfolio is financed with \$548.3 million in taxable bonds, through Goldman Sachs, at an all-in rate of 5.3%, and \$13.1 million in Corvias equity. One of the USG's main objectives with this partnership was to eliminate the capital lease obligations and debt balances on existing housing. Corvias was able to defease \$311.5 million in long-term debt from the USG's balance sheet into the newly formed project entity. This innovative agreement has enabled the BOR to free up \$550 million in credit capacity for future institutional capital needs. Additionally, the USG received 22 credit rating upgrades in only three months.



**40 YEARS**  
2015-2055



**\$548 MILLION**  
CAPITAL RAISE



**9,948 BEDS**  
(3,566,434 GSF)



**\$2.6 BILLION**  
TOTAL LOCAL ECONOMIC IMPACT



**\$9 BILLION**  
PROJECTED TO BE RETURNED TO USG

*Since the inception of the partnership, 76.1% of expenditures for the USG P3 have been contributed to Georgia-based vendors.*



### LIFECYCLE MANAGEMENT

This partnership exemplifies the trust the large-state system has in the Corvias approach and the unique benefits offered. The ultimate expectation of the initiative is to generate innovation, capitalize on operational efficiencies, maximize best practices, eliminate deferred maintenance, and to provide superior customer service, thereby improving the quality of the on-campus housing experience for Georgia students.

Corvias also uses robust programming to ensure the longterm modernization and marketability of the residential communities. While new housing was being constructed in the first year of the partnership, Corvias implemented a \$6.3 million immediate impact capital improvement program to upgrade existing facilities and address deferred maintenance issues. Unique to Corvias’ model, each facility in the USG P3, whether acquired or newly built, will be renovated and/or replaced at least five times following the initial development period so that all assets are returned to the BOR in new or like-new condition at the end of the partnership term.

### ENERGY INITIATIVES

For every new or existing facility that underwent a significant renovation, Corvias received certification through the Georgia Peach Green Building Rating System, a program similar to Leadership in Energy and Environmental Design (LEED) Certification, that recognizes buildings that optimize energy performance and increase demand for materials produced in Georgia. On the Georgia State University campus, Corvias identified that residence halls were being billed separately for electricity, at a high rate of \$0.11/ kilowatt hour. The partnership negotiated with Georgia Power to create a single metering group for the residence halls, and six other buildings on campus—reducing the rate paid by all to \$0.06-\$0.08/ kilowatt hour.

### ECONOMIC IMPACT

In addition to providing quality housing and amenities, Corvias is dedicated to enhancing the economy of Georgia. Corvias’ current expenditures for the USG P3 total more than \$183 million since the end of 2016. Of this, \$139 million (76.1%) has been contributed to Georgia-based vendors.

- **Focus on maintaining affordability for all USG students**
- **In excess of \$8B provided to BOR through contingent rent, reinvestment reserve funds, and retained services over 40 years**
- **Commitment to Low Impact Development (LID) and use of green infrastructure**
- **Innovative approach to public spaces for relaxation, fitness, and collaboration**

DURATION	<b>40 years, 2015-2055</b>
FINANCING STRUCTURE	<b>Taxable Bonds</b>
PROGRAM SIZE	<b>9,948 total beds/ 3,566,434 GSF/91 acres</b>
O&M / CAPITAL IMPROVEMENTS	<b>\$1 billion in O&amp;M spending including CR&amp;R and capital improvements</b>
TOTAL LOCAL ECONOMIC IMPACT	<b>\$2.6 billion</b>

For more information or to speak with a representative from one of our offices nationwide, please contact:

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