

UW Housing Four Properties (UH4)

UWAC 12 December 2022



The Opportunity

The UW has a unique opportunity to leverage several UW owned campus adjacent housing communities by executing on a multi-faceted land lease that would accomplish the following:

- achieve a cash reserve balance sufficient to execute on required capital projects on existing on-campus HFS facilities and complete the housing master plan which was postponed due to no debt financing and the pandemic;
- maintain on-campus rental rates, which would increase only with inflation;
- Replace aged student family housing and increase apartment numbers;
- maintain affordable housing for student families;
- increase campus adjacent housing for students;
- increase child care capacity;
- eliminate deferred maintenance on-campus and in the campus adjacent communities;
- retire substantial debt currently carried by the department.

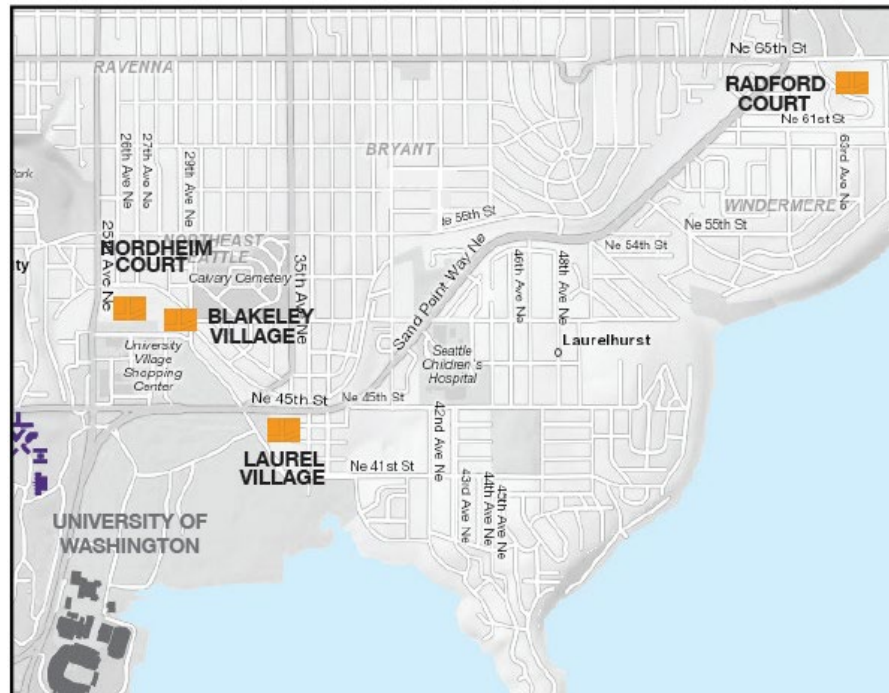
UH4

- Blakely Village ground leased and redeveloped – ~900 single student beds (250 apartments)
- Laurel Village ground leased and redeveloped to serve student families and others – ~320 units
 - 160 family units consolidated from Laurel and Blakely at this site and rented at 50% AMI
 - 200 space childcare center, consolidating childcare from Laurel, Radford and Stevens; net new increase of 50 spaces
- Nordheim Court ground leased and remains the same with 454 single student beds (125 apartments)
- Radford Court ground leased to developer with potential for redevelopment
 - Priority for UW students, faculty and staff
 - Developer required to build MHA units on site and MFTE units

Nordheim Court



Blakeley Village



Radford Court

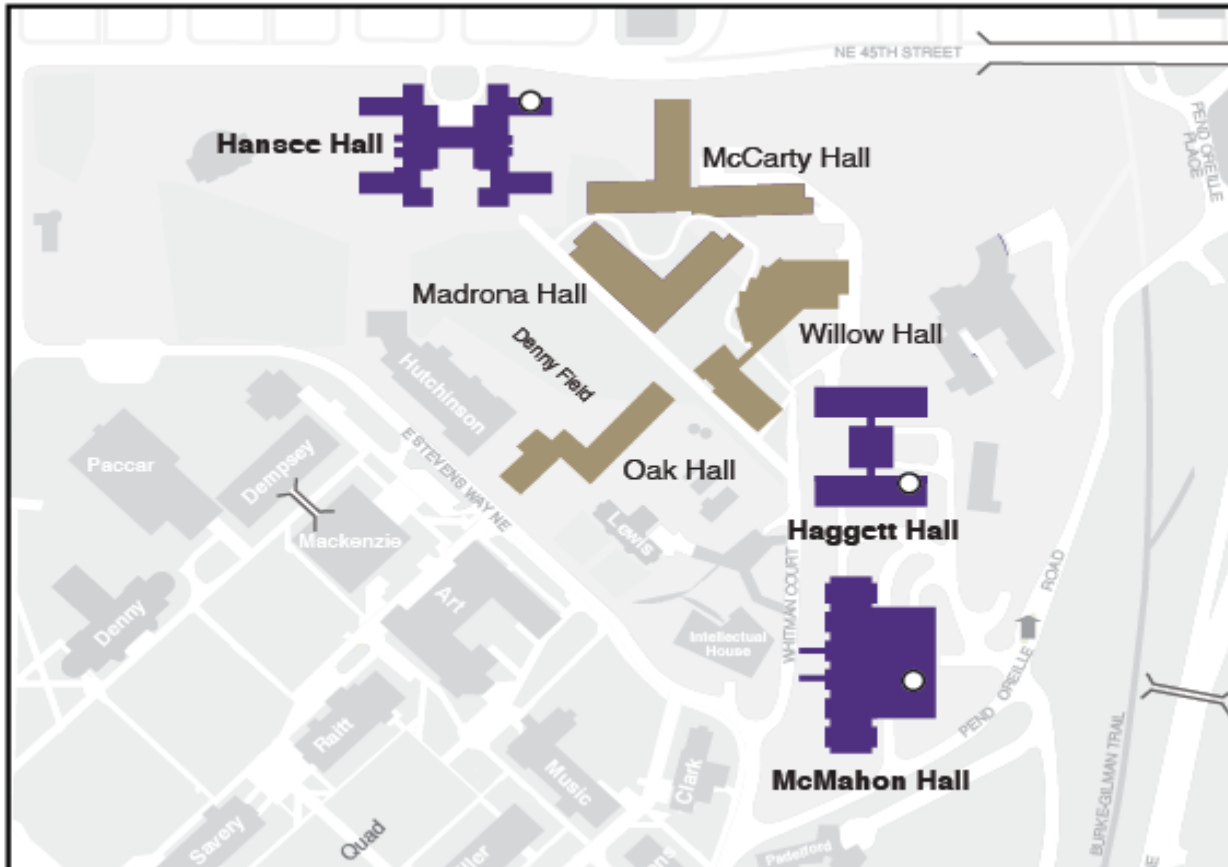


Laurel Village

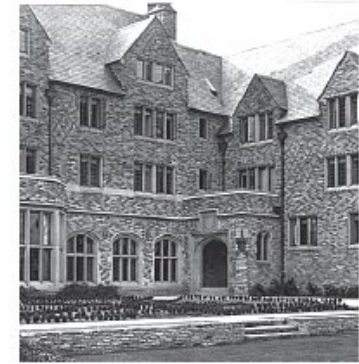


On-Campus Improvements

A combination of land lease cash and HFS reserves will be used to replace Haggett Hall and renovate McMahon and Hansee Halls without additional debt funding, which will allow continued affordable rates for students.



Hansee Hall



Haggett Hall



McMahon Hall



Occupancy

	<u>2022</u>	<u>Future</u>
UW Student, Faculty and Staff Apartments	399	1500
UW Students with Families Apartments	160	320 total:
Single Student Apartments	125 (454 beds)	375 (1400 beds)
Residence Hall Beds-New	0	800
Residence Hall Beds-Renovated	1,376	1,332
Childcare Spaces	147	200

Financial Overview

Total estimated land lease values	Upfront (net debt)	Annual Land Lease
Radford	\$80M	\$1.6M
Nordheim	\$87M	\$640K
Blakeley & Laurel Villages (w 50% Laurel Apartments @ 50% AMI)	\$0	\$2M

Total debt retired = \$46M

Total estimated development costs (developer funded; HFS cash funded)			
Blakeley	\$202M	2023	New construction
Laurel & childcare	\$157 M	2023	New construction
Haggett Hall	\$165M	2025	New construction
McMahon Hall	\$194M	2028	Substantial renovation
Hansee Hall	\$70M	2032	Partial renovation

Total deferred maintenance on all properties = \$160.2M

Schedule

2018	Radford Court Valuation
Summer/2021	Laurel and Blakeley Density Study and Valuation
Summer/2021	Nordheim Valuation
Autumn/2021	UW Leadership Meetings
Spring Summer/2022	Due Diligence – Legal, Financial, Logistical
Autumn/2022	Board of Regents Approval
Autumn/2022	Constituent Meetings
Autumn/2022-Summer/2023	Hire Ground Lessee and Prepare Contract/Ground Leases
Winter 2023	Hire Design Build Team for Haggett Replacement
Autumn/2023	Board of Regents Approval
Winter/2024	Closing
Winter Spring/2024	Property Management Transfer
Summer 2025	Close Laurel and Blakeley
Summer 2027	Open New Laurel and Blakeley
Summer 2027	New Haggett Opens

Questions

