



US 27 Mixed-Use Development and Student Housing RFP NKU-12-16

PROJECT GOALS

Plan, Design & Build:

- Quality Mixed-Use Development on US 27 Site 1A
- Construct 500-bed Residence Hall
- Increase # of beds from 2,004 to 3,000 by 2026
- Perform capital renewal of NKU's existing student housing



COMMITTEE MEMBERS

Sue Hodges Moore

- Senior Vice President of Administration & Finance
 - Chair of Committee

Michael Hales

- Chief Financial Officer

Mary Paula Schuh

- Director of Campus & Space Planning

Kimberly Scrannage

- Vice President for Enrollment and Degree Management

Arnie Slaughter

- Director of University Housing, Interim Assistant Vice President for Student Engagement and Business Operations

Steve Crawford

- Representative, City of Highland Heights

Fred Macke

- Representative, NKU Foundation

Steve Pendery

- Judge/Executive, Campbell County

Consultant – Greg Strickler

Principal, Anderson Strickler – Gaithersburg, MD

PROJECT ADVISOR ANDERSON STRICKLER, LLC

Campus Housing and Real Estate Consultants

- Consultant Greg Strickler was retained to advise on the RFP, the selection process and post-RFP negotiations
- 20 years' experience
 - Advisor to UK and over 250 other institutions from coast to coast
 - Mission is to help campuses maximize student housing investments
- Mr. Strickler attended all presentation interviews and will be a valuable advisor throughout the lease negotiation process

MIXED-USE DEVELOPMENT SITE 1A & 1B



PROPOSALS RECEIVED

- Kingsley + Anchor + CIG – Cincinnati, OH
- EdR – Memphis, TN
- Strategic Capital Partners – Indianapolis, IN
- American Campus Communities – Austin, TX

AMERICAN CAMPUS COMMUNITIES DEVELOPMENT TEAM

The ACC/Fairmount Team

Your development team.



AMERICAN CAMPUS COMMUNITIES

Development Approach

Development Approach

Defining the NKU project objectives.

Create a vibrant, mixed-use development which is supported by NKU and the broader Highland Heights community

Bolster the on-campus housing experience for increased recruitment and retention benefits

Maintain overall housing affordability for the NKU students

Strategically create a housing product life cycle with a stratified rental rate structure

Generate sufficient cash flow to support development of the new projects

Mixed-Use Approach

Mixed-Use Approach

Mixed-Use Development

Approach

- Physical embodiment of a larger campus wide strategy for recruitment & retention
- Redefine the role of NKU within the region
- Opportunity to control your destiny!

Process

- Atypical within university context
- Collaboration and consensus
- Transparency

Success Factors

- Critical mass
- Campus connectivity
- Grow the economic pie

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MIXED-USE DEVELOPMENT EXPERIENCE

Mixed-Use Development Approach

Downtown Kent

- 200,000 SF mixed-use district & the cornerstone of a \$125+ million P3
- University anchored “live-work-shop-dine-play” district
- 2012 NAIPO Mixed-Use Project of the Year
- A true “town-gown” collaboration
- Includes hotel, office, retail, residential, transit & green space



Mixed-Use Development Approach

College Town Rochester

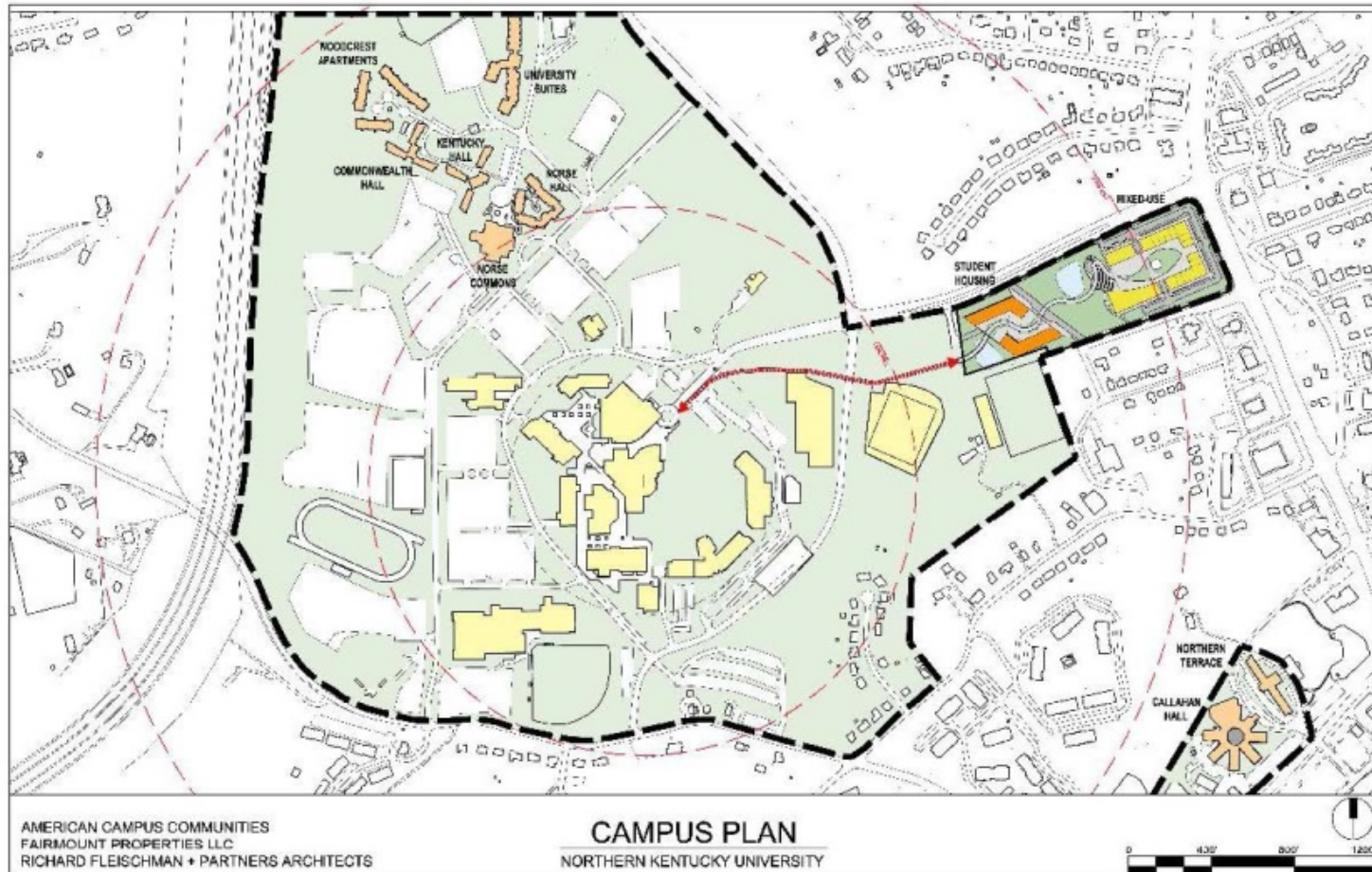
- \$100 million, 500,000 SF mixed-use development opened in 2014
- 14-acre site owned by the University of Rochester
- Located at the front door to the University & adjacent to its medical center
- Hilton Garden Inn, Barnes & Noble, gourmet market, Class A offices & 1,600-car parking deck
- Complex capital stack/\$20 million HUD 108 loan & local, state, county & private funding



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NKU CAMPUS PLAN

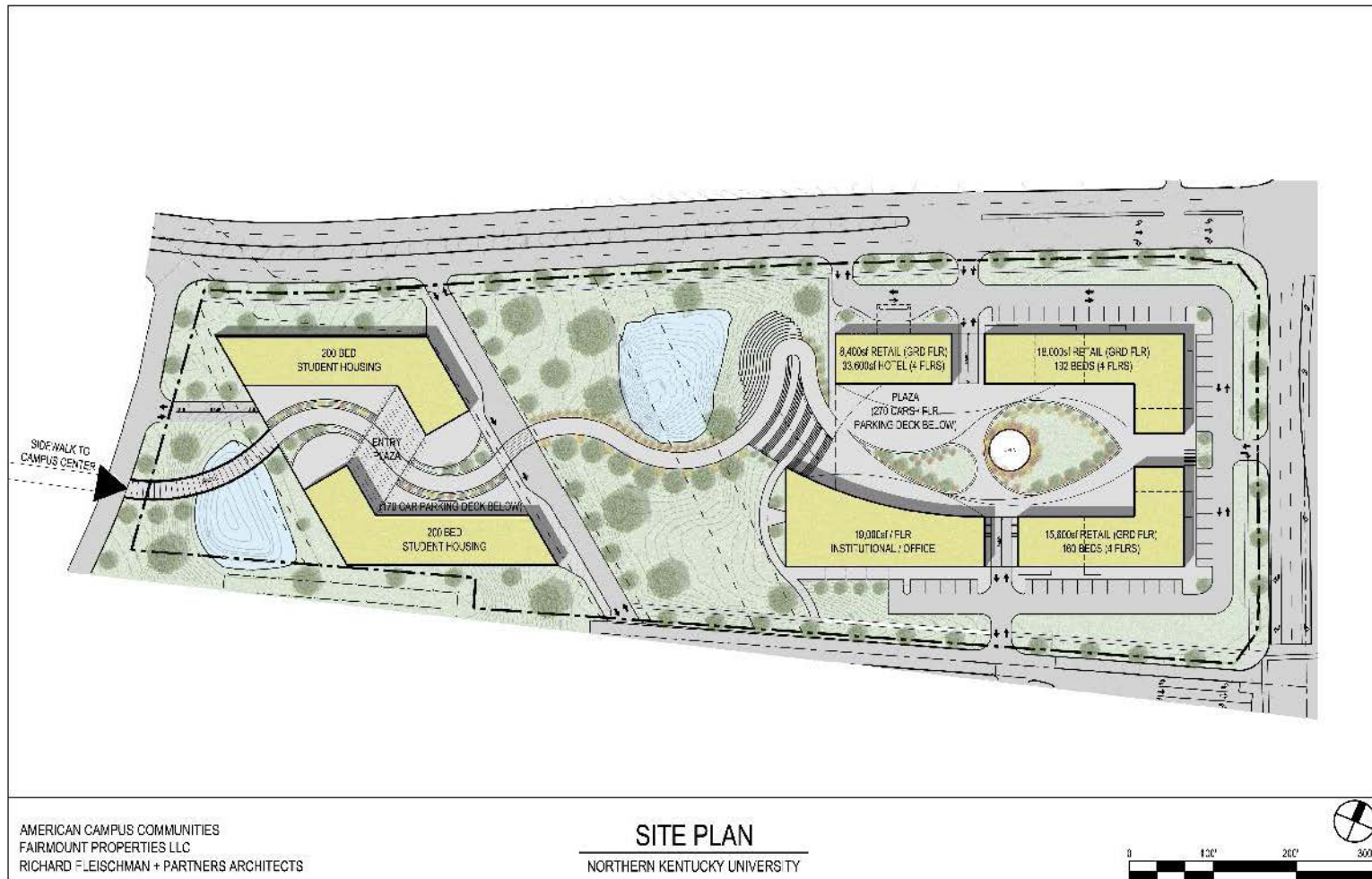
Mixed-Use Approach



AMERICAN CAMPUS COMMUNITIES

NKU SITE PLAN

Mixed-Use Approach



AMERICAN CAMPUS COMMUNITIES

NKU MIXED-USE APPROACH

Mixed-Use Approach



Mixed-Use Approach



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NKU STUDENT HOUSING APPROACH

Student Housing Development Approach

North Village



Student Housing Development Approach

Aerial view looking north.



AMERICAN CAMPUS COMMUNITIES FINANCIAL STRUCTURES

Financial Structures

We do it all.

Collectively, Fairmount and ACC have structured more than \$12 billion in mixed-use and student housing transactions using various structures & financing alternatives.

- Traditional bank loans
- Third-party equity
- Tax-exempt, project-based bonds
- Taxable, project-based debt
- General obligation bonds with university ownership
- P3 financing options



A developer-led approach provides the most financial flexibility.

NEXT STEPS AND TIMELINE

Note: some overlap in these phases is anticipated. These timelines are estimates; the durations will depend on our ability to work through issues in a timely way.

- Negotiate Interim Services Agreement (8-12 weeks)
 - Project Definition
 - Activities/Schedule
 - General Provisions
 - Reimbursable Expenses
 - Termination Provisions
- Pre-Development Phase (4-6 months)
 - Market Analysis
 - Financial Analysis
 - Concept Development
 - Draft Final Agreements
 - Ground Lease & Development Agreement
 - Management Agreement
 - Community Outreach
- Development Phase (18-24 months)
 - Execute Final Agreements
 - Construction Documents
 - Construction
 - Marketing