



WAYNE STATE UNIVERSITY

DETROIT, MICHIGAN



IN 2016, WAYNE STATE SELECTED CORVIAS AS ITS PARTNER TO ACHIEVE NUMEROUS FINANCIAL, OPERATIONAL, AND STRATEGIC OBJECTIVES.

40
YEARS
2017-2057



As part of an innovative approach to partnership with Wayne State University (WSU), Corvias integrated the goals outlined in the University's 2015-2021 strategic plan, "Distinctively Wayne State," to develop a customized roadmap for achieving Wayne State's vision while upholding important University values.

PROJECT SCOPE

Under the \$307.5-million partnership, Corvias is developing 841 new beds, renovating 370 beds, and managing all 2,654 existing beds on campus. The new development also includes more than 17,000 square feet of new retail space and 9,000 square feet for a new Campus Health Center. Corvias is responsible for all aspects of property and asset management, including maintenance, janitorial, and repair and replacement services for all housing on campus. The structure of the program allows Wayne State to maintain ownership of the land and assets under the partnership and receive 100% of all residual program cash flow. Using this approach, Corvias is able to meet the University's student housing and related infrastructure needs in the short term, while simultaneously improving Wayne State's financial strength and the sustainability of the program over the long term. In an excerpt from an article on The Bond Buyer, dated 12/05/17, the Wayne State/Corvias model was referenced as innovative and different.

FINANCING SOLUTION

Corvias' partnership structure provides the University with more than \$907 million in total compensation over the partnership term, including the defeasance of \$102 million in existing debt; \$151 million in initial development and renovation scope with the establishment of long-term reserve accounts in the first 10 years; \$296 million in direct retained services payments to Wayne State; \$38.8 million in capital repair and replacement over 40 years to ensure facilities are returned in like-new condition at the end of the program term.

\$307.5
MILLION
CAPITAL RAISE



3,810
BEDS
(1,715,900 GSF)



\$2.1
BILLION
TOTAL LOCAL ECONOMIC IMPACT



\$102
MILLION
DEBT DEFEASANCE





RENOVATIONS AND PROGRAM REINVESTMENT

As part of the initial development scope, Corvias is renovating the Chatsworth Apartments, which was originally constructed in 1927 and was listed on the National Register of Historic Places in 1986, by 2021. Throughout the term of the partnership, Corvias will reinvest \$305 million into renovation projects outlined in the University’s master plan for all of its new and existing housing facilities.

MEETING AGGRESSIVE SCHEDULE DEMANDS

Wayne State wanted to complete the Anthony Wayne Drive Apartments, the new 841-bed student housing development, as quickly as possible and Corvias wanted to demonstrate the authenticity of our partnership promise—to be the best partner possible. In order to meet Wayne State’s aggressive construction schedule established for the new student housing, Corvias proceeded at-risk while securing short-term bridge financing which allowed the partnership to begin construction in Spring 2017 while simultaneously securing favorable terms on permanent financing through a private placement.

COMMUNITY & ECONOMIC IMPACT

Beyond providing Wayne State students access to world-class housing and holistically achieving both the short- and long-term goals of our partner, Corvias is committed to keeping jobs and revenue within region and is anticipating more than 90% of the delivery partners will be local and small businesses. Corvias is also working together with Wayne State to develop educational support programs tailored to the needs of the students, including a Corvias endowed scholarship of \$1 million that will result in \$50,000 awarded to WSU students per year, and a variety of mentoring, internship, grant, and employment opportunities to provide increased access to a first-rate education.

Together, we are aligned in creating a vibrant campus environment to improve the student experience, increase persistence, and support the University’s overall mission.

PARTNERSHIP DETAILS <ul style="list-style-type: none"> • Credit positive and off balance sheet, also defeased \$102M of existing debt • Provide day-to-day O&M and long-term repair and replacement • Proceeded at-risk while securing short-term bridge financing which allowed the partnership to secure more favorable terms on permanent financing 	DURATION	40 years, 2017-2057
	CAPITAL RAISE	\$307.5 million
	FINANCING STRUCTURE	Taxable bonds
	PLACEMENT AGENT	Citibank
	PROGRAM SIZE	3,810 beds/1,715,900 GSF/1.68 acres
	INITIAL DEVELOPMENT	\$151 million
	LONG TERM DEVELOPMENT	\$1 billion in ongoing replacement/renovation/modernization
	TOTAL LOCAL ECONOMIC IMPACT	\$2.1 billion
	CAPITAL REPAIR & REPLACEMENT	\$38.8 million in CR&R spending, in addition to the \$316,000 in program reinvestment

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

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