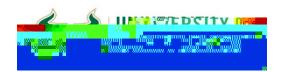
USF Financing Corporation and USF Property Corporation

ANNUAL REPORT TO THE BOARD



LONG-TERM FINANCING OBJECTIVES

- x Provide low-cost, low-risk, long-term financing for the University's major capital projects
- x Maintain strong credit ratings: USF, Housing, Marshall Center, and Parking systems
- x Negotiate sound credit structures supporting each bond series
- x Seek low-cost capital by accessing public and private markets
- x Capitalize on opportunities to convert variable to fixed rates, reduce credit risks, reduce swaps, and refund at call dates to lock-in low interest rates

Cumulative Public / Private Transactions

	PUBLIC BONDS	PRIVATE PLACEMENTS	TOTAL TRANSACTIONS
Number of Closed Transactions	19	19	38
\$ of Closed Transactions	\$1.1 Billion	\$0.6 Billion	\$1.7 Billion
Outstanding Debt (as of 6/30/19)	\$179 Million	\$167 Million	\$346 Million



HIGHLIGHTS OF THE PAST YEAR

Closed Transactions

- x January 16, 2019 \$32 million Series 2018 Housing COPs Public debt issuance
 - o To fund the construction of a new 375-bed housing and dining facility on the USF St. Petersburg campus.
 - o 30-year, tax-exempt, fixed interest rate of 3.99%
- x January 16, 2019 \$15 million Series 2019 Housing Refunding COPs Public debt issuance
 - o To advance refund and defease the Series 2010B Housing Build America Bonds
 - o \$1.8 million in net present value savings
 - o 21-year, tax-exempt, fixed interest rate of 3.68%
 - o No change to final maturity date of 2040
- x May 1, 2019 \$3.6 million Series 2019 Conventional Mortgage Loan Private placement
 - o To finance the purchase of a building (UDI) and assumption of a subleasehold interest in the USF Research Park
 - o 12-year, taxable, fixed interest rate of 4.33%
 - o The building is master leased to the USF Research Foundation until 2069, unless sooner terminated.

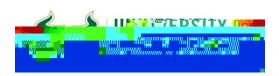
HIGHLIGHTS OF THE PAST YEAR (CONTINUED)

Construction Projects

- x \$33 million, 375-bed USF St. Petersburg Housing & Dining Project
 - o Florida Board of Governors final approval on November 8, 2018
 - o Bonds issued January 16, 20190

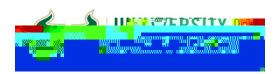
NEAR-TERM INITIATIVES

USF Research Park Laborato



OUTSTANDING DEBT AND SWAPS AS OF JUNE 30, 2019

DEBT ISSUE	DATE ISSUED DEBT STRU		CURRENT RATINGS *					TOTAL DEBT	
		DEBT STRUCTURE	Moody's	S&P	INTEREST RATES (%)	TAXABLE / TAX-EXEMPT	MATURITY DATE	OUTSTANDING (including unamortized premiums/discounts)	
Certificates of Participation, Series 2010A - Housing System	12/23/2010	Public Fixed Rate Bonds	A1	A+ (Positive Outlook)	4.42	Tax Exempt	2020	\$800,013	
Refunding Certificates of Participation, Series 2012A - Housing System (Remarketed bonds issued 10/1/12; Refunded Series 2005B issued 5/25/05)	5/6/2015	Public Fixed Rate Bonds	Al	A+ (Positive Outlook)	3.65	Tax Exempt	2035	\$83,134,845	
Refunding Certificates of Participation, Series 2012B - Housing System (Amended 7/1/18; Extended 9/29/17; Refunded Series 2007 issued 9/25/07)	10/1/2012	Direct Placement Variable Rate Bonds / Synthetically Fixed Series (Positive Outloo	NR 3.65					\$57,750,000 1(0)332TJ-40.863()]TJ-4027)-7064.0342
Refunding Certificates of Participation, Series 2015A - Housing System (Refunded Series 1.7977 1.1966]TJ9.3675 0	TD.0028 Tc617.56	·	Seri		8(stem)]TJ-3.170	9 -1.1966 TD.0034	Tc[(Refnded)	25.7(Ser303 .6(1.7977 1.1	966]TJ9.3675 0 TD10ng Sy)15



OUTSTANDING DEBT AND SWAPS AS OF JUNE 30, 2018 (CONTINUED)

DEBT ISSUE DATE ISSUED DEBT STRUCTURE		CURRENT RATINGS *		INTEREST RATES (%)	TAXABLE / TAX-EXEMPT	MATURITY DATE	TOTAL DEBT OUTSTANDING (including unamortized premiums/discounts)
	Moody's	S&P					
3/15/2011	Direct Placement Fixed Rate Bonds	NR	NR	3.82	Tax Exempt	2022	\$3,895,000
3/9/2018	Direct Placement Fixed Rate Bonds	NR	NR	3.46	Tax Exempt	2030	\$7,280,689
3/9/2018	Direct Placement Fixed Rate Bonds	NR	NR	3.51	Tax Exempt	2031	\$9,937,345
9/27/2013	Direct Placement Fixed Rate Bonds	NR	NR	4.78	Taxable	2033	\$16,650,000
USF Financing Corporation - Athletics							\$37,763,034
5/6/2015	Fixed Rate Bonds	Aa3	AA- (Positive Outlook)	5.6(Cent1r)]TJ125.6(763)6.D	0040	
•							
	3/9/2018 3/9/2018 3/9/2018 9/27/2013	3/15/2011 Direct Placement Fixed Rate Bonds 3/9/2018 Direct Placement Fixed Rate Bonds 3/9/2018 Direct Placement Fixed Rate Bonds 9/27/2013 Direct Placement Fixed Rate Bonds US:	DATE ISSUED DEBT STRUCTURE Moody's Jirect Placement Fixed Rate Bonds NR USF Financing Corporate	DATE ISSUED DEBT STRUCTURE Moody's S&P Jirect Placement Fixed Rate Bonds NR NR NR NR NR NR NR NR NR VR S/9/2018 Direct Placement Fixed Rate Bonds NR NR NR NR NR NR NR VR VR VR	DATE ISSUED DEBT STRUCTURE Moody's S&P INTEREST RATES (%) 3/15/2011 Direct Placement Fixed Rate Bonds NR NR NR 3.82 3/9/2018 Direct Placement Fixed Rate Bonds NR NR 3.46 3/9/2018 Direct Placement Fixed Rate Bonds NR NR 3.51 9/27/2013 Direct Placement Fixed Rate Bonds NR NR 4.78 USF Financing Corporation - Athletics 4.09%	DATE ISSUED DEBT STRUCTURE Moody's S&P INTEREST RATES (%) TAXABLE / TAX-EXEMPT AX-EXEMPT NR NR NR 3.82 Tax Exempt NR NR NR 3.9/2018 Direct Placement Fixed Rate Bonds NR NR NR 3.46 Tax Exempt NR NR NR 3.51 Tax Exempt Pixed Rate Bonds NR NR NR NR AX- S 6/(Cont.) TL 125 6/(363)6 DE SOLUTION TO TAXABLE / TAXABLE / TAX-EXEMPT AX- TAXABLE / TAX-EXEMPT AX- TAX Exempt TAXABLE / TAX-EXEMPT AX- TAX Exempt S 6/(Cont.) TL 125 6/(363)6 DE S 7 6/(Cont.) TL 1	DATE ISSUED DEBT STRUCTURE Moody's S&P INTEREST RATES (%) Jinter Placement Fixed Rate Bonds NR NR NR NR NR NR NR NR NR N

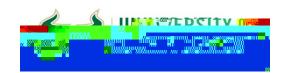
14-YEAR CORPORATE TRACK RECORD

<u>USF Financing/Property Corporation – University's Special Purpose Financing Arm</u>

- x The Corporations play a large and strategic role for the University by providing an economical, efficient and unified plan of financing that considers the University's mission, goals and strategic plan.
- x The USF Board of Trustees approved formation of the two Corporations in December 2004; operations commenced in March 2005.
- x \$1.71 billion in Financing Transactions Closed
- x \$526 million of Projects Developed
- x 1.9 million sq ft of Projects Developed
- x \$387 million in total Corporate Assets
- x \$346 million of Corporate Debt outstanding as of June 30, 2019
- x 3.70% Long-Term Cost of Capital (tax-exempt and taxable debt)

USF Financing Systems

- x <u>Housing</u> A1-rated \$206 million system supported by student fees.
 - o Includes Tampa housing, St. Petersburg housing and parking garage, and St. Petersburg multi-purpose student center
- x <u>Marshall Student Center</u> Aa3-rated \$31 million revenue bond Series supported by student fees.
- x <u>Health</u> unrated \$67 million system supported by USF medical facilities revenue.
 - o 2 state-of-the-art medical clinics, a medical office building and CAMLS
- x <u>Athletics / Arena</u> unrated \$38 million system supported by Athletics facilities revenue and Arena revenue.
 - o Includes basketball, baseball and softball facilities, soccer and football practice fields, and renovated Arena



GOVERNANCE STRUCTURE

USF Financing/Property Corporation (USFFC/USFPC) Directors and Officers

Board of Directors

<u>Name</u>	<u>Term</u>	4-Year Term Ending
Sandra W. Callahan	Second	2022
Richard D. Smith	Second	2022
Steven A. Williamson	Second	2021
Lori V. Vaughan	Second	2023
Steven C. Currall, USF System Presid	NA	
David E. Lechner, USF System Senior	NA	

Corporate Officers

<u>Name</u>	Position	2-Year Term Ending
Sandra W. Callahan	Chair (USFFC)	2020
	Sec/Treas (USFPC)	2020
Richard D. Smith	Chair (USFPC)	2020
	Sec/Treas (USFFC)	2020
Hilary Black	Assistant Secretary (USFFC/PC)	2020
Dawn Rodriguez	Assistant Secretary (USFFC/PC)	2020
Fell L. Stubbs	Executive Director	NA

GOVERNANCE STRUCTURE

Board of Directors Composition and Term Limits

- x At least 5, but no more than 7, members; appointed as follows:
 - o One Director appointed by the Chair of the USF Board of Trustees
 - o One Director shall be the USF President or designee
 - o One Director shall be the USF CFO or designee
 - o Up to four additional directors, once appointed and approved by the USF Board of Trustees, may be elected at the annual meeting of the Board of Directors by the then current members of the Board of Directors
 - o The USF Board of Trustees shall approve all appointments to the Board of Directors
- x Terms of Office:
 - o Four years in length
 - Maximum of two consecutive terms
 - o Directors who have served two terms consecutively may be re-elected to the Board of haveD-11.28 0 330ter8(have)-9(oar