in Peay State University
tudent Housing
ndix A - Project Assumptions Matrix
Summary Worksheet

Font Color Legend	
Color	**Reference/Field**
Blue	Data Input
Green	Cell data from a different tab
Black	Cell calculation

Proposed Structure	Developer's Proposal	Instructions	Developer Comments/Notes
General Overview			
Submitting Developer Firm(s)		*Input*	
Architectural Firm(s)		*Input*	
Engineering Firm(s)		*Input*	
Debt Underwriter		*Input*	
Debt Purchaser(s)		*Input*	
Status of Debt Commitment(s)		*Input*	
Equity Provider(s)		*Input*	
Status of Equity Commitment(s)		*Input*	
Additional Financing Partners		*Input*	
Additional Notes		*Input*	
Design and Sustainability			
Commitment to APSU Sustainability Goals		*Select from Dropdown List & State terms in Developer Comments/Notes*	
Willingness to Accept Design Documents		*Select from Dropdown List & State terms in Developer Comments/Notes*	
Proposed Design Modification (if any)		*Provide details in Developer Comments/Notes*	
Design and Sustainability Comments/Notes			
Structure and Financing Terms			
Ownership Structure		*State Approach in Column E and Provide details in Developer Comments/Notes*	
Short-term financing required?		*Select from Dropdown List*	
If yes, provide a description		*Provide details*	
If yes, provide key terms		*Provide details*	
Initial Ground Lease Term (Years)		*Input Years*	
Ground Lease Extensions		*Please describe terms for extension(s)*	
Equity Internal Rate of Return ("IRR")		*Input Percentage into Column E and key details on calculation into the Comments/Notes*	
Percentage of Capital as Equity		*Input*	
Percentage of Capital as Debt		*Input*	
Percentage of Capital as Sub-Debt		*Input*	
Total Percentage of Capital Stack	0.00%	*Calculation*	
Debt Service Reserve Fund ("DSRF")	$0	*Please complete the 'Development Budget' tab to enter data.*	
Length of DRSF (Months)		*Input # of Months*	
Capitalized Interest ("CI")	$0	*Please complete the 'Development Budget' tab to enter data.*	
Capitalized Interest (Months)		*Input # of Months*	
Cost of Issuance (excludes CI & DSRF)	$0	*Please complete the 'Development Budget' tab to enter data.*	
Senior Debt Credit Rating		*Input Credit Rating. Input the Rating Agency in the comments.*	

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Senior Debt Interest Rate ("TIC")		*Input*	
Senior Debt Interest Rate ("AIC")		*Input*	
Federal tax status of senior debt		*Select from Dropdown List*	
Senior Debt Term (Years)		*Input Years*	
Senior Debt Service Coverage Ratio (Year 2)		*Input*	
Min. Senior Debt Service Coverage Ratio (Year 2 or Stabilization)		*Input*	
If not Year 2, Specify Year		*Input Year*	
Subordinate Debt Interest Rate ("TIC")		*Input*	
Subordinate Debt Interest Rate ("AIC")		*Input*	
Subordinate Debt Term (Years)		*Input*	
If Refinancing is Required (Senior or Sub Debt), Please Explain		*Input*	
Structure and Financing Terms Comments/Notes			
Schedule			
Financial Close Date		*Input Date*	
Construction Period (months)		*Input # of Months*	
Project Delivery Date (COO)		*Input Date*	
Proposed Project Opening Date		*Input Date*	
Schedule Comments/Notes			
Development Costs			
Total Project Square Footage	0	*Please complete the 'Development Budget' tab to enter data.*	
Hard Costs	$0	*Please complete the 'Development Budget' tab to enter data.*	
Project Reimbursement	$0	*Please complete the 'Development Budget' tab to enter data.*	
Upfront Ground Lease Payment (Equity Models)	$0	*Please complete the 'Development Budget' tab to enter data.*	
Upfront Impact Fee (Equity Models)	$0	*Please complete the 'Development Budget' tab to enter data.*	
Total Soft Costs	$0	*Please complete the 'Development Budget' tab to enter data.*	
Project Development Costs	$0	*Please complete the 'Development Budget' tab to enter data.*	
Project Development Project Costs (per SF)	N/A	*Calculation*	
Project Development Project Costs (per Bed)	N/A	*Calculation*	
A&E Fee ($)	$0	*Please complete the 'Development Budget' tab to enter data.*	
A&E Fee (% of Hard Costs)	N/A	*Calculation*	
Development Fee ($)	$0	*Please complete the 'Development Budget' tab to enter data.*	
Development Fee (% of Project Development Costs)	N/A	*Calculation*	
Total (Hard and Soft) Construction Costs Financed ($)		*Input*	
Total Additional Uses of Funds from Financing		*Describe*	
Development Costs Comments/Notes			
Financial Return to APSU			
Total Upfront Reimbursement	$0	*Calculation*	
Annual Ground Rent Type - Variable / Fixed / Hybrid		*Select from Dropdown List*	
Annual Ground Rent Payment - Variable (% out of 100 of Gross Revenues)		*Insert % (if any) in Column B and State Key Terms in Developer Comments/Notes*	
Fixed Annual Ground Rent - Escalation Percentage		*Input % in Column B and State Key Terms in Column F*	
Annual Ground Lease Payment (Year 1)	$0	*Please complete the 'Cash Flow' tab to enter data.*	
Annual Ground Lease Payment (Year 2)	$0	*Please complete the 'Cash Flow' tab to enter data.*	
APSU Percentage of Net Cash Flows - Variable (% out of 100)		*Insert % (if any) in Column B and State Key Terms in Developer Comments/Notes*	
APSU Net Cash Flow Amount (Year 1)	$0	*Please complete the 'Cash Flow' tab to enter data.*	
APSU Net Cash Flow Amount (Year 2)	$0	*Please complete the 'Cash Flow' tab to enter data.*	

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Proposed Structure	Developer's Proposal	Instructions	Developer Comments/Notes
APSU Cumulative Cash (Year 25)		*Input*	
NPV of APSU Cash (Year 25 @5%)		*Input*	
APSU Cumulative Cash (Year 50)		*Input*	
NPV of APSU Cash (Year 50 @5%)		*Input*	
Financial Return to APSU Comments/Notes			
Unit Configuration (# of Beds)			
4 Bed / 2 Bath Apartment		*Input*	
Studio Apartment		*Input*	
Total Beds	0	*Calculation*	
# of Parking Spaces	0	*Please complete the 'Development Budget' tab to enter data.*	
Unit Configuration (# of Beds) Comments/Notes			
Academic Year Lease Rates (2024$)			
4 Bed / 2 Bath Apartment	$901/month	*Input*	
Studio Apartment	$970/month	*Input*	
Lease Term (months)	9	*Input # of Months*	
Effective Average Monthly Rent	N/A	*Calculation*	
Projected Rental Revenue Discount (as % of Market)		*Input*	
Unit GSF Sizes (Data Per Unit)			
4 Bed / 2 Bath Apartment		*Input Per Unit GSF*	
Studio Apartment		*Input Per Unit GSF*	
Single-Occupancy Semi-Suite		*Input Per Unit GSF*	
Double-Occupancy Semi-Suite		*Input Per Unit GSF*	
Unit Configuration (Sizes of Units) Comments/Notes			
Operations Overview			
Annual Management Fee ($ in Year 1)		*Input*	
Annual Management Fee ($ in Year 2)		*Input*	
Annual Management Fee (% of Gross Revenues)		*Input Percentage and Provide Description in Developer Comments/Notes*	
University Services Reimbursement	$690/Bed	*Assumption*	
Property Taxes Included?		*Yes or No*	
Property Taxes included above or below the line?		*Select from Dropdown*	
Property Taxes $ (Year 1)		*Input*	
Property Tax Escalation Assumptions (%)		*Provide summary description*	
Cumulative Total Property Tax Paid (Year 25)		*Input*	
Cumulative Total Property Tax Paid (Year 50)		*Input*	
Property Taxes Paid Over Initial Lease Term		*Input*	
Total Operating Expenses ($ in Year 1) - Excluding Reserves		*Input*	
Total Operating Expenses ($ in Year 2) - Excluding Reserves		*Input*	
Operating Expenses (Year 1 per Bed)	N/A	*Calculation*	
Operating Expenses (Year 1 per SF)	N/A	*Calculation*	
Operating Expenses (Year 2 per Bed)	N/A	*Calculation*	
Operating Expenses (Year 2 per SF)	N/A	*Calculation*	
Total Capital Reserve / Replacement (per Bed)		*Input*	
Total Capital Reserve / Replacement Escalation (%)		*Input Percentage*	
Projected Rental Revenue Inflation (%)		*Input Percentage*	
Operations Overview Comments/Notes			

Austin Peay State University
CLARKSVILLE TENNESSEE

Appendix B

MARKET STUDY

AUGUST 2025

BRAILSFORD & DUNLAVEY

Strategic Framework

Key Findings and Recommendations

- **Student Success First**: On-campus housing should be expanded strategically to support student retention and progression, especially for first-years, financial aid recipients, and sophomores.

- **Affordability is Paramount:** With a growing population in Montgomery County and small market of student-focused off-campus supply, demand is strong, but students are price sensitive. Maintaining affordable rental rates is key to mitigating occupancy risk.

- **Project Concept:** Proposed 400-bed, 5-story apartment-style project targeting Fall 2028 delivery with approximately 100 parking spaces.

Strategic Framework

HOUSING’S ROLE ON CAMPUS & UNIVERSITY PRIORITIES

Quantity + Location of Student Housing

Quantity:

- As APSU continues to grow you must align your demand and inventory to serve key populations in alignment with your other supportive infrastructure.

Location:

- The location of housing should be located within proximity of your infrastructure that helps with retention and student success. Distance from these resources would be counterproductive.

Target Market + Unit Typology

Target Market:

- Student housing should prioritize first-years but also, intentionally create options for sophomores, transfers, and non-traditional students who need structure, stability, and access to support.
- Improving first-to-second year retention will require a better first-year experience and sophomore strategy.

Unit Typology:

- APSU should primarily focus on community-style housing for freshman and more independence for your upperclassmen.

Financial Accessibility + Quality Reconciliation

Financial Accessibility:

- APSU is building what students can afford and what the University can afford.
- Your rents need to stay low enough to reduce risk but high enough to reinvest in quality over time.

Quality Reconciliation:

- APSU’s first-year beds should reflect the institutions standards, while sophomore housing should be priced competitively and structured to encourage them to stay.

Financial Performance + Institutional Will

Financial Performance:

- APSU housing won’t be used to make money but used to serve your students.
- Every decision should protect the fiscal health and keep student rents low.

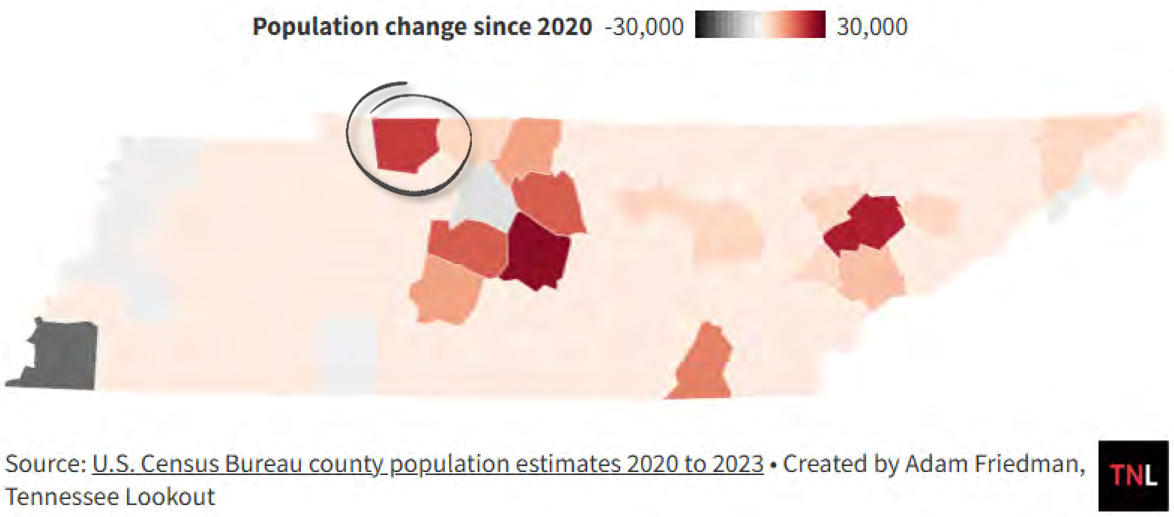
Institutional Will

- APSU must deliver housing models that minimize cost and risk, without putting the University’s balance sheet on the line.
- Efficiency here isn’t about profit but about affordability and long-term reinvestment.

Institutional Context

Institutional Context

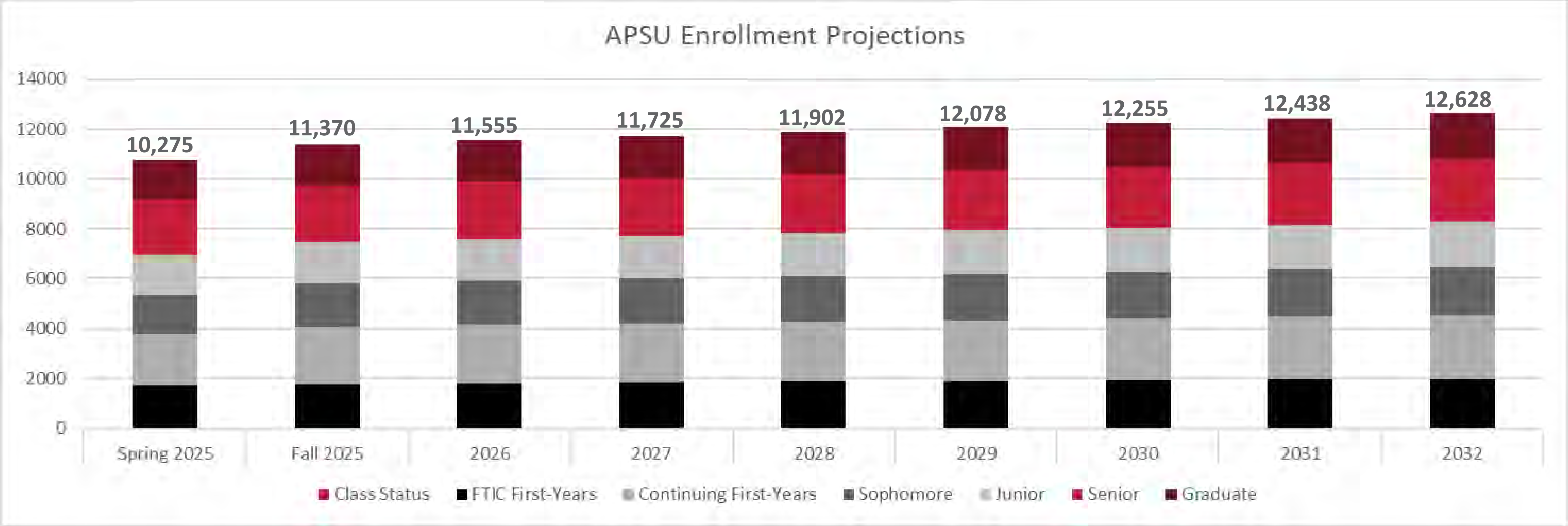
- Highest enrollment growth percentage of **all** state universities.
- Middle Tennessee region experiencing rapid growth
  - Montgomery County has grown more than 44% since 2010, with a current population of approximately 250,000.
  - 7th largest county in the state by population
- 10,254 students enrolled in Fall 2024 from 48 states
  - 181 international students enrolled from 58 countries
- Most awarded degrees are STEM and Health Sciences
- Large military population, with approximately 25% being military-affiliated.



Enrollment Projections

APSU IS PROJECTED TO CONTINUE TO GROW

- APSU has been named the “fastest growing” University in Tennessee. Growth is projected to continue, but at a slower rate of 1.5% annually.
- Over the next 7 years, enrollment projections indicate 1,859 new students by 2032.



Source: *Austin Peay State University*

Current Inventory

- Most recent builds in 2013: Governor's Terrace North and South, and Eriksson
- Last new apartments built in 2003.

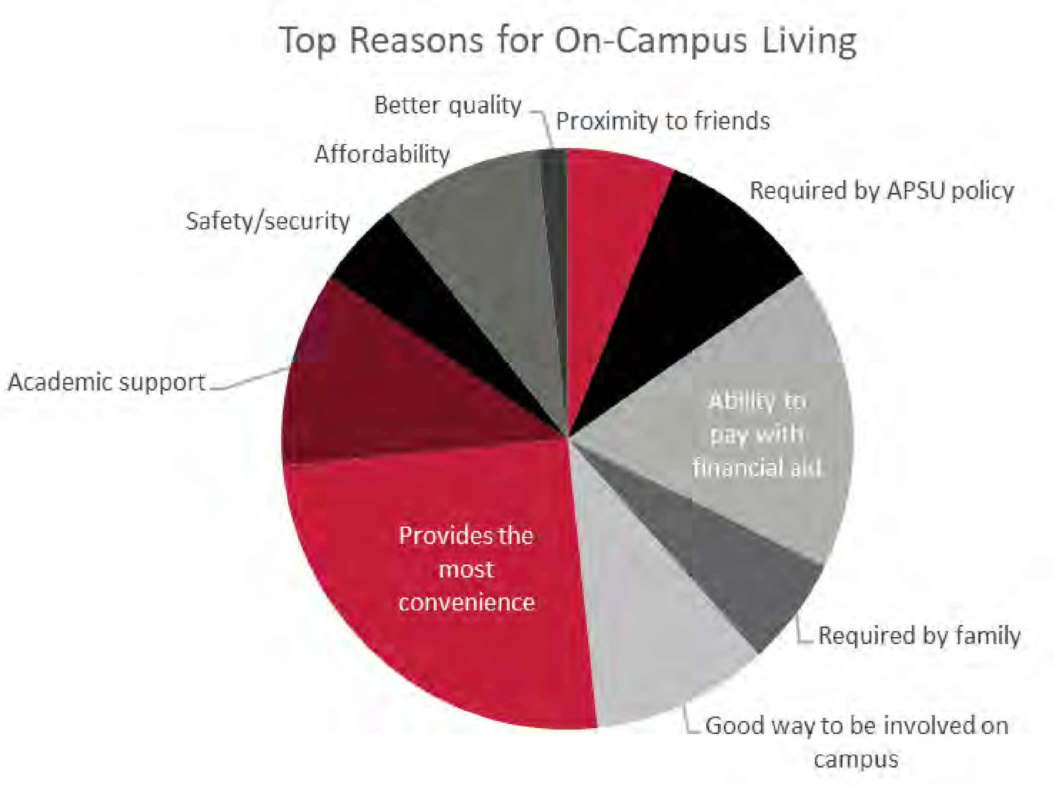
Community	Unit Type	Bed Capacity	Year Built	Semester Rate (2024-25)	Fall 2024 Occupancy
Blount Hall	Semi-Suite	82	1962	$3,440	97%
Castle Heights	Semi-Suite	426	2011	$4,065	91%
Eriksson Hall	Semi-Suite	126	2013	$4,065	88%
Gov's Terrace North	Semi-Suite	140	2013	$4,065	82%
Gov's Terrace South	Semi-Suite	140	2013	$4,065	95%
Harvill Hall	Semi-Suite	56	1960	$3,440	91%
Sevier Hall	Semi-Suite	170	1967	$3,440	92%
Emerald Hill Apartments	Apartment	121	1968	$4,335	97%
Hand Village	Apartment	311	2003	$4,195	93%
Meacham Apartments	Apartment	164	1981	$3,485	82%
Two Rivers	Apartment	40	1985	$3,485	85%
Semi Suite Subtotal/Average		1,140	1999	$3,896	91%
Apartment Subtotal/Average		636	1990	$3,994	90%
Housing and Res Life Total		1,776	1995	$3,931	91%

Institutional Context

ON-CAMPUS HOUSING CONTEXT

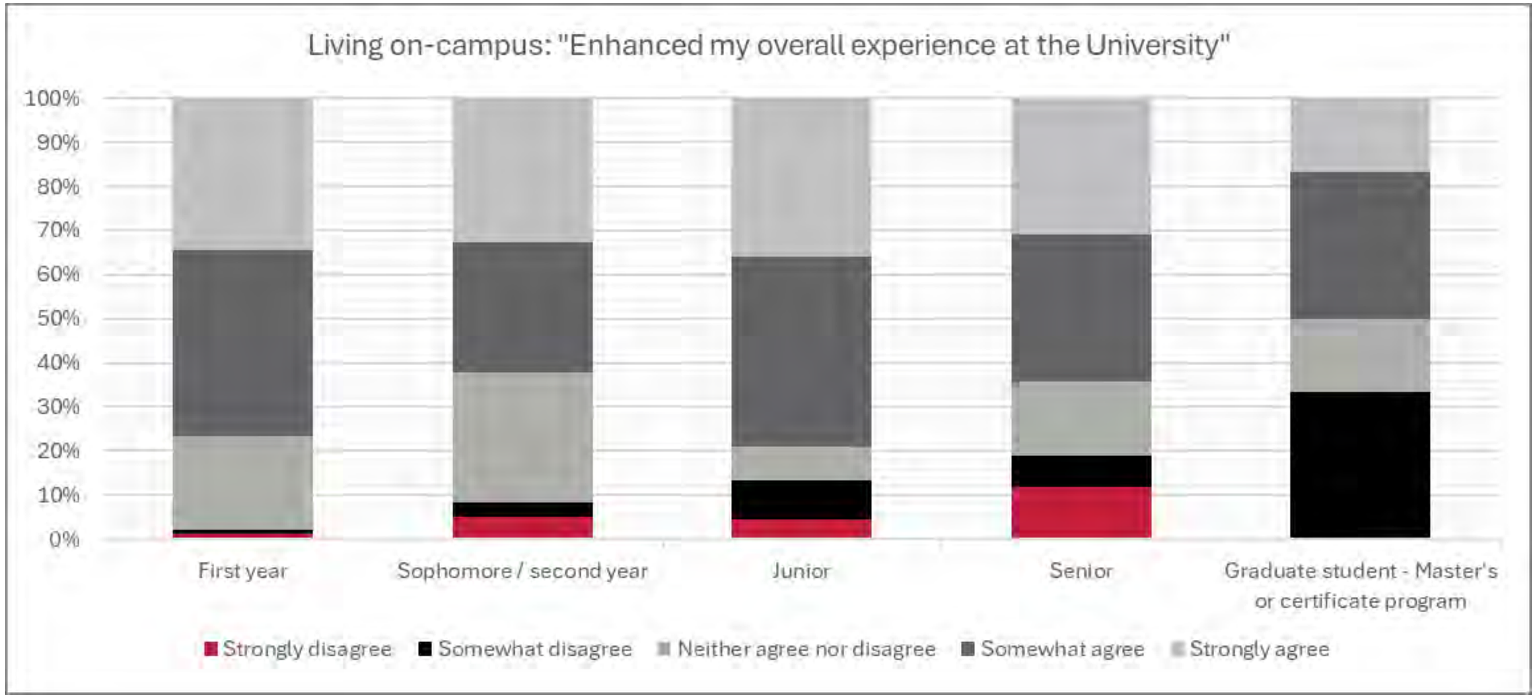
- 80% of people who pay for housing with **scholarships and grants** live on campus, prioritizing the need for affordability.
- Students choose to live on campus due to the convenience and ability to pay with their financial aid.
- APSU is moving to a model in which first-year students are all housed in semi-suite offerings.
  - In 2024-25, 27% of first-years in on-campus housing resided in an apartment unit.

Classification	Full-Time Enrollment	% Living On Campus
First-Year Freshmen	1,618	54%
Sophomores & Continuing Freshmen	1,996	15%
Juniors	1,344	17%
Seniors	1,681	8%
Graduate	691	2%



Housing Impact

- The majority of students of all class years who currently live on campus agree that their experience has:
  - Enhanced their overall University experience.
  - Provided them with a sense of community.
  - Had a positive impact on their academic performance.

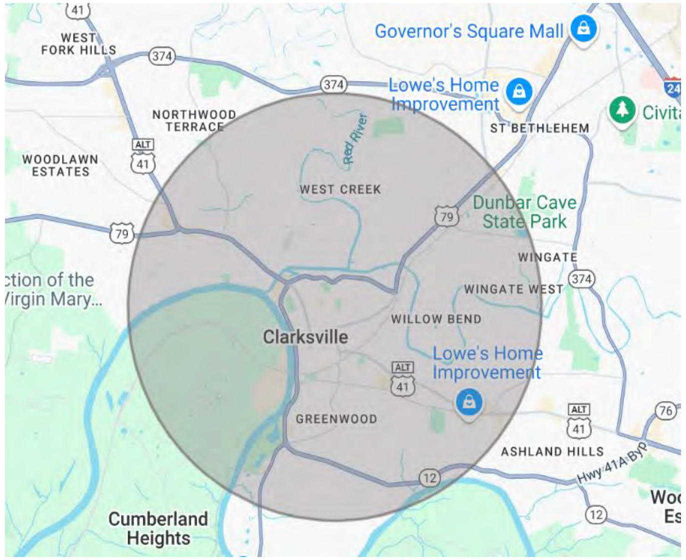


Institutional Context

EXISTING OFF-CAMPUS MARKET SUPPLY

- **Two existing off-campus student housing developments**
  - Average occupancy rate of 90%
  - Average rent price per bed of $844

- **3,255 total multifamily units within 3 miles**
  - Average occupancy rate of 93%
  - Average rent price per unit of $980



Off- Campus Student Housing	All Beds	Studio	One Bedroom	Two Bedrooms	Three Bedrooms	Four + Bedrooms
Total Units	234	0	52	109	26	47
Total Beds	536	0	52	218	78	188
Average Rent per Unit	$1,695	$0	$1,039	$1,588	$2,185	$2,563
Average Rent per Bed	$766	$0	$1,039	$794	$728	$641
Occupancy Rate	88%	0%	90%	85%	81%	94%

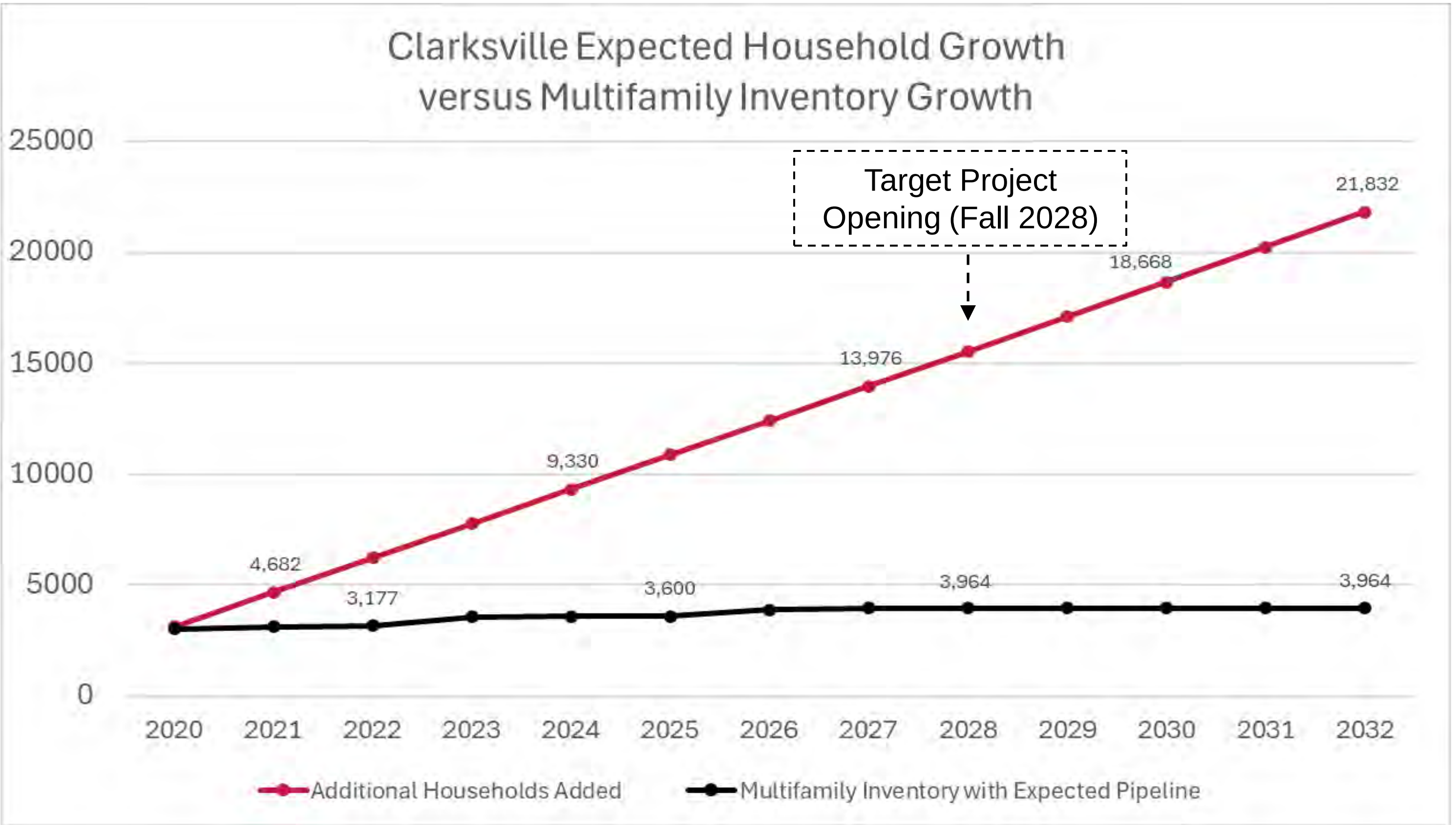
Off-Campus Multifamily	All Beds	Studio	One Bedroom	Two Bedrooms	Three Bedrooms	Four + Bedrooms
Total Units	3,297	189	774	1,851	479	4
Total Beds	6,118	189	774	3,702	1,437	16
Average Rent per Unit	$980	$845	$890	$987	$1,232	$1,242
Average Rent per Bed	$484	$845	$890	$493	$411	$311
Average Occupancy Rate	93%	83%	93%	94%	92%	75%

Institutional Context

CLARKSVILLE GROWTH OUTPACES THE OFF-CAMPUS MULTIFAMILY MARKET

Students who do not live in on-campus housing or at home with family are competing in a scarce rental market.

- Average of 1,560 new households expected to move to Clarksville each year.
- Within 5 miles of campus, only 100 new single-family units and 121 multifamily units are in the pipeline.
- **536 beds** of student-focused housing exist in the off-campus market.
- **Over 300 students** waitlisted for on-campus housing in Fall 2025.



Source*: The Clarksville Montgomery County Regional Planning Commission, The Clarksville Montgomery County Growth Coordination Committee, and The CoStar Group*

Student Demand & Survey Findings

Demand Analysis

METHODOLOGY

7,190 Student Surveys Sent (*Excludes Online-Only Students*) (April 2025)

8% Response Rate

537 Completed Responses (*Excludes partial responses*)

Statistically significant response with +/- 4.2% margin of error.

- Demand is limited to a **Target Market Group** – students who are most inclined and able to pursue on-campus housing.
- Demographic Filters:
  - On-Campus Residents
  - Off-Campus Residents
    - Full-time
    - Age 18-30
    - Single with no dependents

- **Occupancy Coverage Ratios** are applied to reflect University priorities, occupancy risk and the competitiveness of the off-campus market for given market segments.
- OCRs are determined by classification
  - On-Campus Residents: 1.00
  - Off-Campus Residents
    - First-Years: 1.05
    - Sophomores: 1.10
    - Juniors: 1.25
    - Seniors: 1.25
    - Graduate: 2.00

Survey-Tested Units and Rental Rates (2024-25 dollars)

Unit Type	Bedroom Occupancy	Tested Monthly Rent per Bed
A. Semi-Suite	Single	$974
B. Semi-Suite	Double	$935
C. Full Suite	Single	$1,130
D. Full Suite	Double	$1,013
E. Studio Apartment	Single	$970
F. 1-Bed / 1-Bath Apartment	Single	$1,247
G. 1-Bed / 1-Bath Apartment	Double	$996
H. 2-Bed / 2-Bath Apartment	Single	$1,053
I. 2-Bed / 2-Bath Apartment	Double	$960
J. 4-bed / 2-Bath	Single	$901

Indicative Unit Graphics

Unit E. Studio Apartment - Single Occupancy

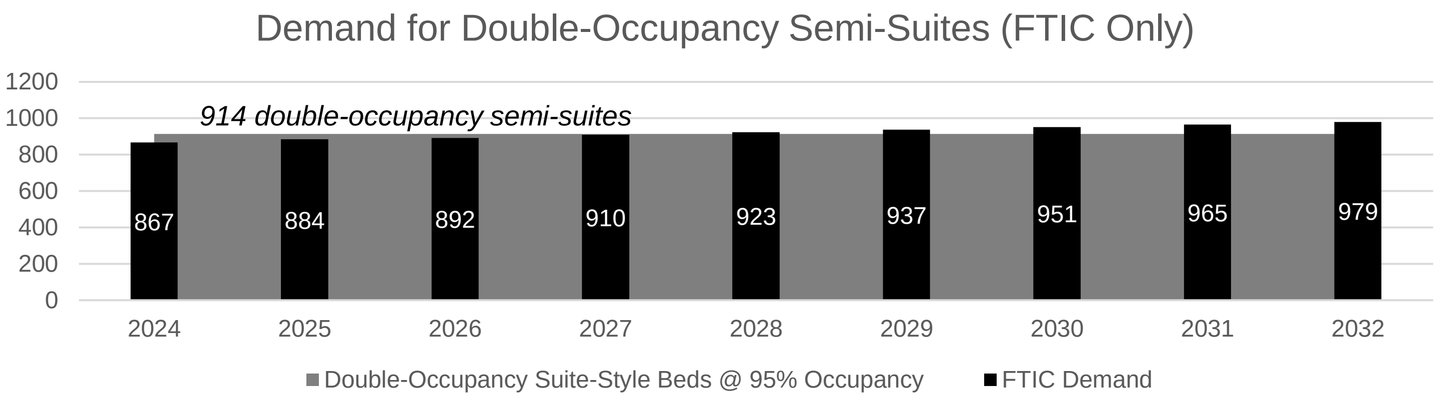
Unit J. 4-Bedroom / 2-Bathroom Apartment – Single Occupancy

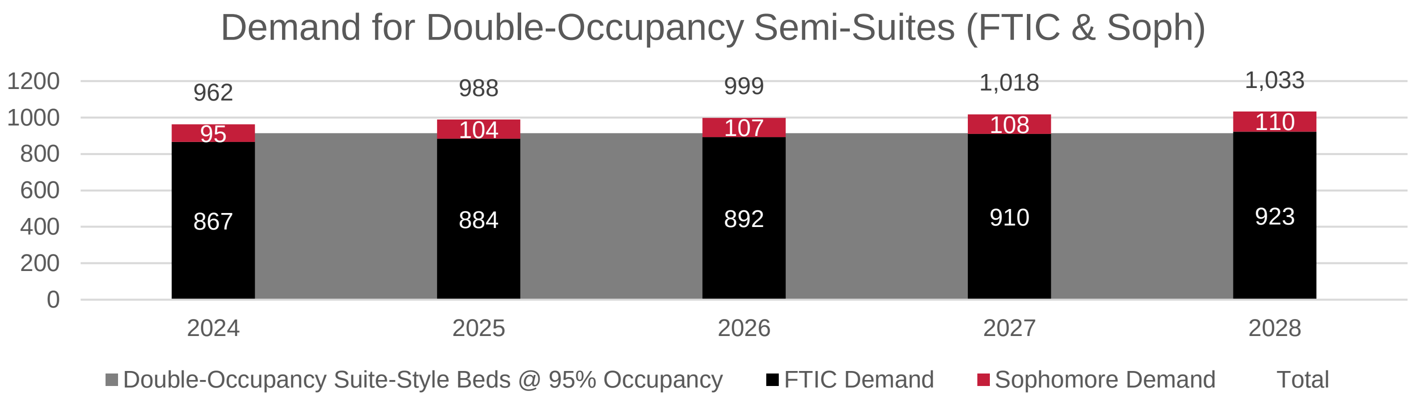
Demand Analysis

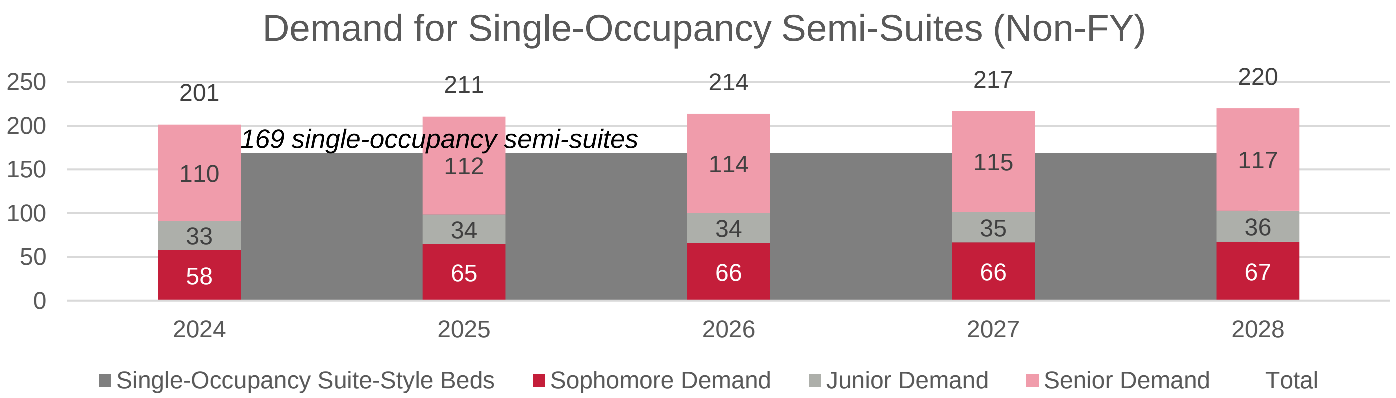
PROJECTED DEMAND W/ POLICY FILTER FOR FIRST-YEARS

- Assuming APSU maintains a 54% capture rate for FTIC, preventing first-years from living in apartments will essentially fill HRL's double-occupancy semi-suite inventory

- Demand for double- and single-occupancy semi-suites from non-freshmen exceeds supply. By 2028, approximately 170 of these students will be forced into apartment inventory. Additional upper-division students will be displaced with continued FTIC growth.



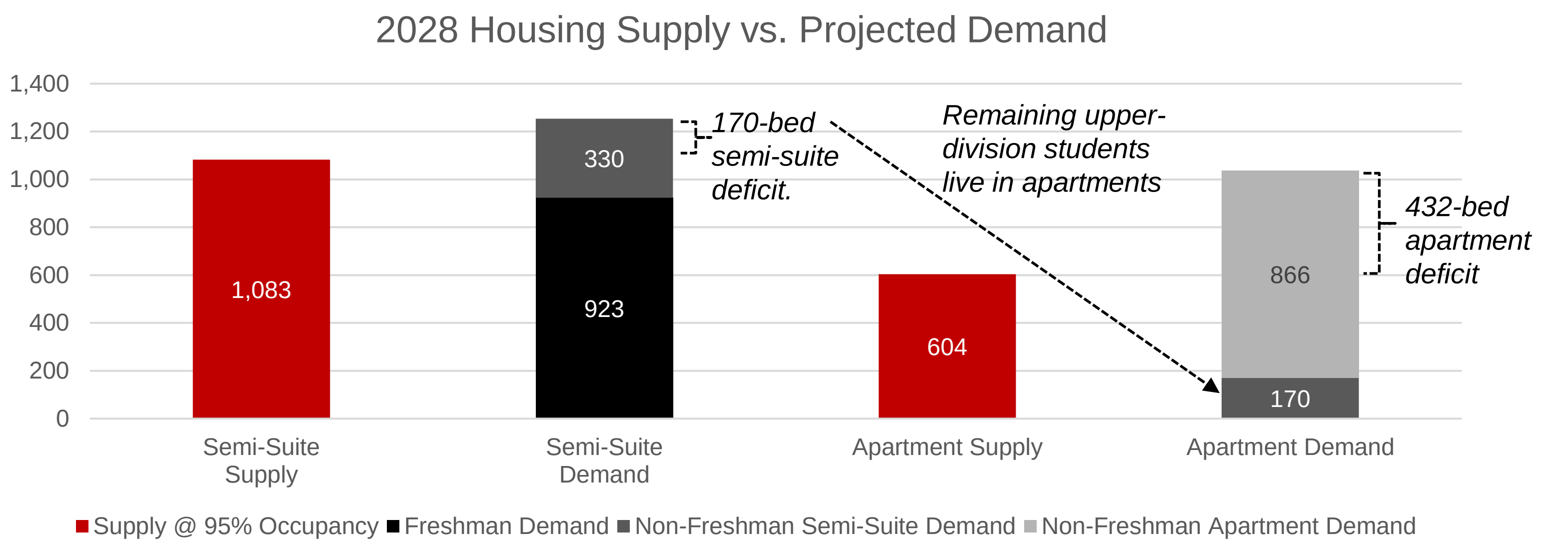


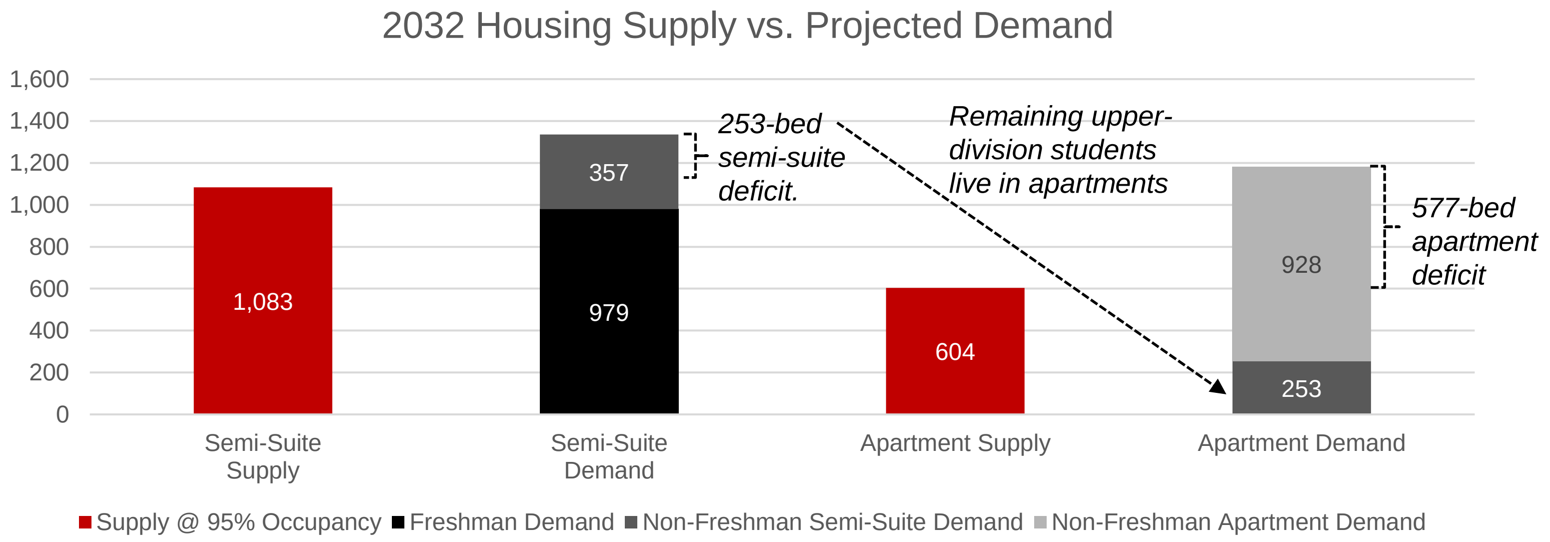


Student Demand & Survey Findings

PROJECTED DEMAND

- At estimated project opening in Fall 2028 there will be demand for **432 beds** of additional student apartments.
- The deficit will grow to **577 beds** by 2032.

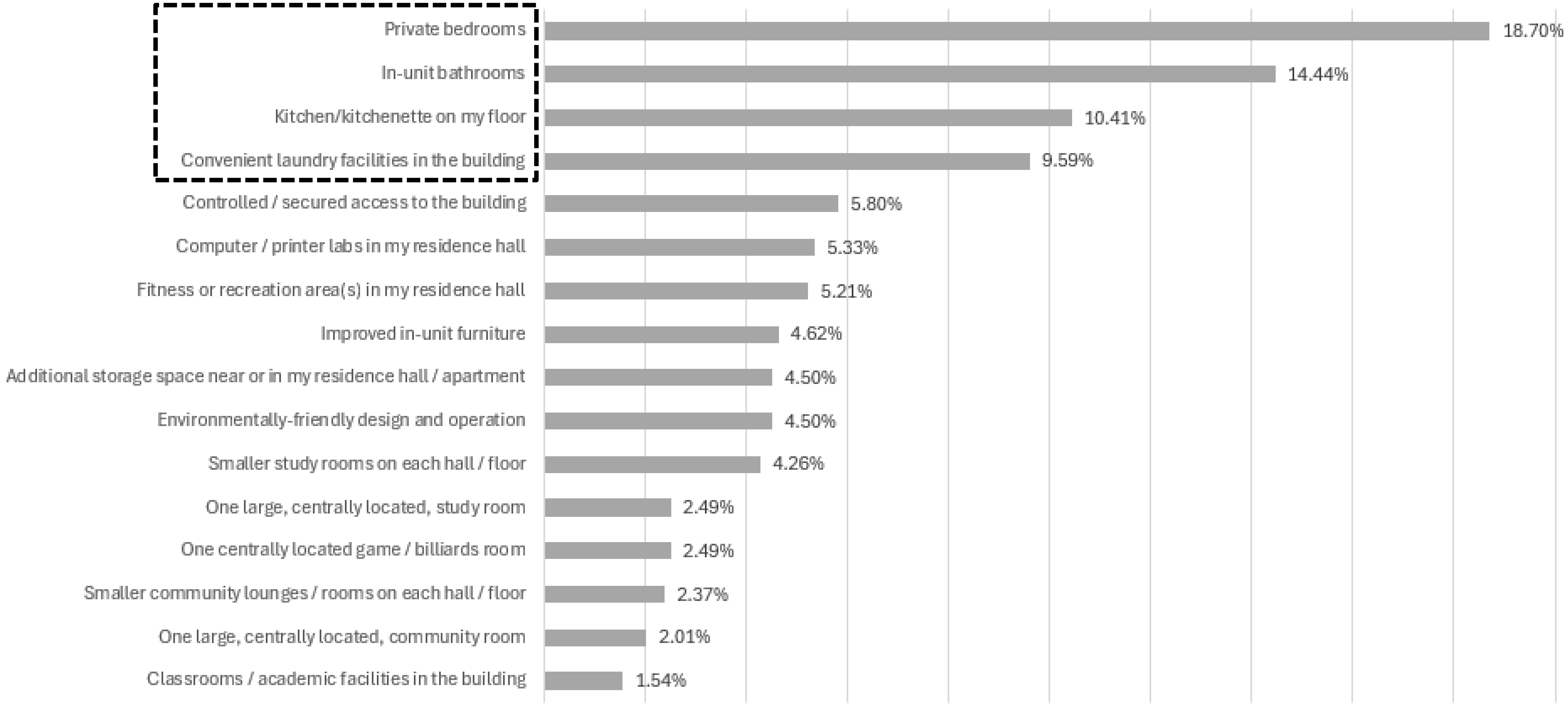




Student Demand & Survey Findings

PRIORITIES THAT CAN BE ADDRESSED IN A NEW HOUSING PROJECT

Which of the following factors should be the **top priorities as APSU considers improvements to its on-campus housing?**



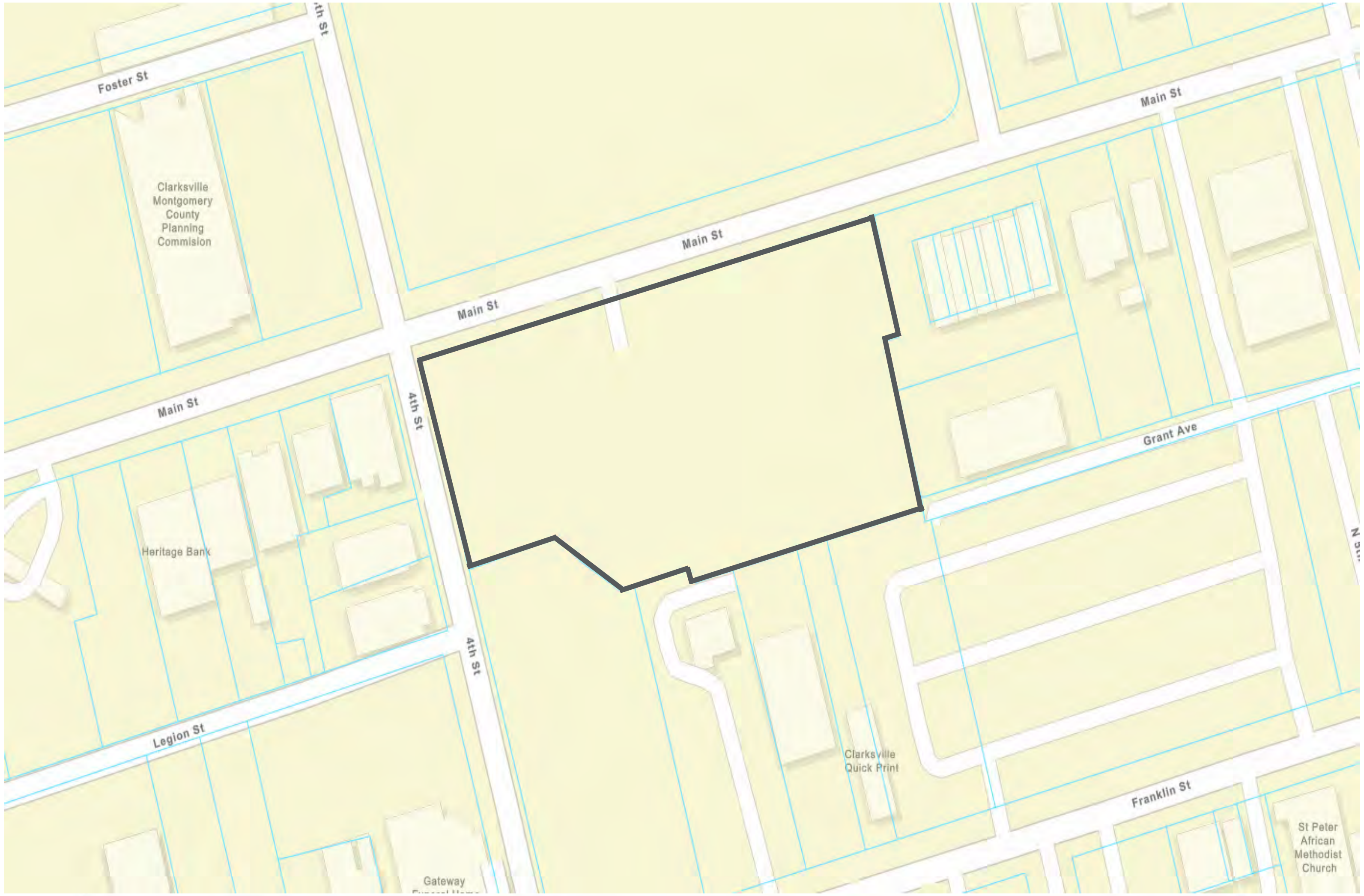
Project Concept

Initial Site Analysis

OVERVIEW AND ASSUMPTIONS

❖ **Lot 30 Overview:**
- Site Size: 1.6 acres / 69,696 SF
- No municipal zoning restrictions

❖ **Assumptions**:
- Up to 5 stories
- Desired on-site parking ratio: 0.25:1



New Development Assumptions and Comparison

APSU Rental Cost Comparisons (2024-25 dollars)					
Average costs / bed	**Existing APSU On-Campus Housing - Low** (Academic Year)	**Existing APSU On-Campus Housing - High** (Academic Year)	**Off-Campus Housing** (12 months)	**New APSU Development Studio Unit** (Academic Year)	**New APSU Development 4-bed Unit** (Academic Year)
Average Rent / Month	$764	$963	$826*	$970	$901
Avg. Utilities/ Month	Included	Included	$151*	Included	Included
Total Cost / Month	$764	$963	$977	$970	$901
Average Cost / Year	**$6,880**	**$8,670**	**$11,724**	**$8,730**	**$8,109**

**Based on self-reported monthly rent and utility payments from student survey respondents.*