

* AGENDA *

F.I.T. STUDENT HOUSING CORPORATION

SIXTY-THIRD MEETING

MAY 7, 2007

- | | | |
|-----|---|------|
| 1.1 | Approval of the Minutes of the Meeting Held March 5, 2007 | 63.1 |
| 1.2 | Approval of the Minutes of the Meeting Held April 4, 2007 | 63.2 |
| 1.3 | Executive Session | 63.3 |
| | <p>It is anticipated that the Chairman will call for a motion to convene an Executive Session to discuss the proposed acquisition, sale or lease of real property, when publicity would substantially affect the value thereof.</p> | |
| 1.4 | Adjournment | 63.4 |

MINUTES
F.I.T. STUDENT HOUSING CORPORATION
SIXTY-FIRST MEETING
MARCH 5, 2007

PRESENT

Edwin A. Goodman, Chairman
Jerome A. Chazen, Vice Chairman
Jay H. Baker
Christina R. Davis
Yaz Hernandez
Jay Mazur
Elizabeth T. Peek
Heather Golden

Emeritus

Peter G. Scotese
John Pomerantz

By telephone

Robin Burns-McNeill
George S. Kaufman

OFFICERS

Joyce F. Brown, President
Harvey W. Spector, Treasurer
Jeffrey I. Slonim, Secretary

The sixty-first meeting of the F.I.T. Student Housing Corporation was called to order by Chairman Edwin A. Goodman.

There was discussion about the status of the new 31st Street residence hall. Mr. Spector also reported to the Board that two finance firms had proposed a refinancing of debt on the 31st Street building. He also reported on the progress of the proposed sale of the building's loading dock. The purchaser intends to build a hotel at the site.

The Chairman invited a blanket motion to approve action items 1.1 and 1.2. Mr. Chazen so moved and Mr. Mazur seconded. Mr. Goodman invited discussion, questions or comments but there were none. On voice vote the motion carried without opposition, and the following resolutions were adopted:

1.1 Approval of the Minutes of the
Meeting Held September 18, 2006

61.1

It was

RESOLVED, That the Minutes of the sixtieth meeting, held on September 18, 2006, were approved.

1.2 Dormitory Fees and Budget for Fiscal Year 2008

61.2

The Corporation is required to adopt its annual budget for Fiscal Year 2008 and to approve all related fees. A proposed budget for Fiscal Year 2008 is attached.

Based on projected operating expenditures and an ongoing need for capital expenditures, an increase of 15% at Alumni Hall and an increase of 10% at Nagler Hall are now warranted, as follows:

	<i>Students</i>	<i>Rates per Semester Per Student (Current)</i>	<i>Rates per Semester Per Student (Proposed)</i>
<i>Alumni Hall</i>			
Apartments	512	\$4,078	\$4,690
<i>Nagler Hall</i>			
One Bedroom	2	\$4,212	\$4,633
Large Studio	16	\$3,564	\$3,920
Small Studio	4	\$3,472	\$3,819
Dorm Room	<u>292</u>	\$2,774	\$3,051
	314		
Total Students	<u>826</u>		

Dormitory rental rates for large double rooms at the residence hall at 31st Street are proposed to increase 3.2% due to room reconfiguration:

	<i>Students</i>	<i>Rates per Semester Per Student (Current)</i>	<i>Rates per Semester Per Student (Proposed)</i>
<i>31st Street</i>			
Single	11	\$7,250	\$7,250
Large Double	512	\$4,874	\$5,027
Small Double	272	\$4,635	\$4,635
Triple	111	\$4,500	\$4,500
Quadruple	<u>180</u>	\$4,163	\$4,163
Total Students	<u>1,086</u>		

The fee for the mandatory meal plan for dorm-room students will range from \$2,790 to \$3,590 in FY08.

The technology fee for data, telecommunications and cable service was \$225 per year in the 2006-2007 academic year, and whereas a study of technology costs has shown that this amount does not cover services that are provided, an increase of \$50 to \$275 per year is proposed to continue to align actual costs with revenues generated by this fee.

The student resident association fee of \$50 per year is not proposed to increase in the upcoming academic year.

Therefore, it was

RESOLVED, That:

- A. The attached budget for the Corporation for Fiscal Year 2008 was adopted.
- B. The proposed dormitory rental rates and the proposed fees for technology, meal plans and student resident association services were approved.

The Chairman called for other business. There was no response.

The Chairman invited a motion to adjourn. Mr. Mazur so moved and Ms Hernandez and Mr. Baker seconded. The motion was approved by acclamation and the sixty-first meeting of the F.I.T. Student Housing Corporation was adjourned.

Respectfully submitted,

Jeffrey I. Slonim
Secretary

Student Housing Corporation Financial Plan

Alumni Hall
Nagler Hall
31st Street

	Current 2007	Proposed 2008	2009	2010	2011
Operations					
Revenue					
Rentals	\$16,742,394	\$17,866,134	\$19,371,886	\$19,878,130	\$20,987,756
Technology Fee	\$426,825	\$518,650	\$565,800	\$565,800	\$565,800
Transfers	\$178,491	\$399,999	\$411,999	\$424,359	\$437,090
Interest & Laundry Revenue	\$114,000	\$127,000	\$130,810	\$134,734	\$138,776
Meals	\$745,200	\$792,360	\$792,360	\$816,131	\$816,131
Resident Association Fee	\$94,850	\$94,300	\$94,300	\$94,300	\$94,300
Total Operating Revenue	\$18,301,760	\$19,798,443	\$21,367,155	\$21,913,454	\$23,039,853
Expenses					
Employees	\$1,709,190	\$1,988,565	\$2,048,222	\$2,109,668	\$2,172,958
Maintenance	\$2,120,097	\$2,120,930	\$2,184,557	\$2,250,094	\$2,317,597
Utilities	\$1,729,000	\$1,915,000	\$1,972,450	\$2,031,624	\$2,092,572
Technology	\$539,186	\$603,637	\$664,001	\$730,401	\$803,441
Other OTPS-Non discretionary	\$1,304,423	\$1,636,585	\$1,685,682	\$1,736,253	\$1,788,340
Residential Life Office	\$138,776	\$144,726	\$149,068	\$153,540	\$158,146
Meals	\$745,200	\$792,360	\$792,360	\$816,131	\$816,131
Total Operating Expenses	\$8,285,872	\$9,201,802	\$9,496,340	\$9,827,710	\$10,149,185
Operating net	\$10,015,888	\$10,596,641	\$11,870,816	\$12,085,744	\$12,890,668
Debt Service					
Income					
Foundation	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
DSRF Interest Income (31st Street)	\$98,957	\$0	\$0	\$0	\$0
Total	\$10,364,845	\$10,846,641	\$12,120,816	\$12,335,744	\$13,140,668
Debt Service Expense					
DASNY Series 2004	\$6,417,769	\$9,892,720	\$9,892,920	\$9,891,670	\$9,893,670
DASNY and BNY Fees	\$80,000	\$72,272	\$80,000	\$80,000	\$80,000
College Loan (sprinkler project; \$2.3M)	\$2,300,000	\$0	\$0	\$354,714	\$348,545
Total Debt Service Expense	\$8,797,769	\$9,964,992	\$9,972,920	\$10,326,384	\$10,322,215
Surplus/(Deficit)	\$1,567,076	\$881,649	\$2,147,896	\$2,009,360	\$2,818,453
Capital Expenses					
Summer Rehab	\$0	\$200,000	\$200,000	\$200,000	\$200,000
Alumni Furniture	\$335,000	\$268,000	\$268,000	\$0	\$0
31st Street Technology Capital	\$700,000	\$0	\$0	\$0	\$0
31st Street Opening Costs	\$450,000	\$0	\$0	\$0	\$0
Reserve for Future Capital Projects	\$0	\$400,000	\$1,600,000	\$1,800,000	\$2,600,000
Total Capital Expenses	\$1,485,000	\$868,000	\$2,068,000	\$2,000,000	\$2,800,000
Surplus/(Deficit) after Capital Expenses	\$82,076	\$13,649	\$79,896	\$9,360	\$18,453

Student Housing Corporation Financial Plan

Alumni Hall
Nagler Hall
31st Street

		Current 2007	Proposed 2008	2009	2010	2011
Annual Student Rental Rates						
	# of Students	Increase Rate 15%	Increase Rate 15%	Increase Rate 7%	Increase Rate 7%	Increase Rate 7%
Alumni Hall						
Apartment rate per month/9 months	512	\$8,156 \$906	\$9,380 \$1,042	\$10,037 \$1,115	\$10,739 \$1,193	\$11,491 \$1,277
			Increase Rate 10%	Increase Rate 7%	Increase Rate 7%	Increase Rate 7%
Nagler Hall						
Dorm room rate per month/9 months	292	\$5,548 \$616	\$6,102 \$678	\$6,529 \$725	\$6,986 \$776	\$7,476 \$831
Small studio rate per month/9 months	4	\$6,944 \$771	\$7,638 \$849	\$8,173 \$908	\$8,745 \$972	\$9,357 \$1,040
Large studio rate per month/9 months	16	\$7,128 \$792	\$7,840 \$871	\$8,389 \$932	\$8,976 \$997	\$9,605 \$1,067
One bedroom rate per month/9 months	2	\$8,424 \$936	\$9,266 \$1,030	\$9,915 \$1,102	\$10,609 \$1,179	\$11,352 \$1,261
Total number of students at Nagler Hall	314		Flat	Increase Rate 10%	Flat	Increase Rate 5%
31st Street						
Single per month/9 months	11	\$14,500 \$1,611	\$14,500 \$1,611	\$15,950 \$1,772	\$15,950 \$1,772	\$16,748 \$1,861
Large Double per month/9 months	512	\$9,748 \$1,083	\$10,054 \$1,117	\$11,059 \$1,229	\$11,059 \$1,229	\$11,612 \$1,290
Small Double per month/9 months	272	\$9,270 \$1,030	\$9,270 \$1,030	\$10,197 \$1,133	\$10,197 \$1,133	\$10,707 \$1,190
Triple per month/9 months	111	\$9,000 \$1,000	\$9,000 \$1,000	\$9,900 \$1,100	\$9,900 \$1,100	\$10,395 \$1,155
Quadruple per month/9 months	180	\$8,326 \$925	\$8,326 \$925	\$9,159 \$1,018	\$9,159 \$1,018	\$9,617 \$1,069
Total number of students at 31st Street	1,086					
	<u>1,912</u>					

MINUTES
F.I.T. STUDENT HOUSING CORPORATION
SIXTY-SECOND MEETING
APRIL 4, 2007

PRESENT

Edwin A. Goodman, Chairman
Jerome A. Chazen, Vice Chairman
Christina R. Davis
George S. Kaufman
Jay Mazur
Heather Golden

Absent and Excused

Jay H. Baker
Robin Burns-McNeill
Yaz Hernandez

Peter G. Scotese (emeritus)
John J. Pomerantz (emeritus)

By telephone

Elizabeth T. Peek

OFFICERS

Joyce F. Brown, President (by telephone)
Harvey W. Spector, Treasurer
Jeffrey I. Slonim, Secretary

ALSO PRESENT

James Costello, Lehman Brothers
(by telephone)
Christop Muelbert, Lehman Brothers
Cathy Bell, Loop Capital Markets

Melanie Hooven, Budget Office
Thomas L. Thomas, Student Affairs
David Levin, Controller
Rosalyn Pier, Budget Office
Mark Blaufeder, Finance and Ops.
Michael Zervos, IT
Ingrid Valentin-Reyes, Gen'l Counsel
Maria Jill Ubina, Gen'l Counsel

The sixty-second meeting of the F.I.T. Student Housing Corporation was called to order by Chairman Edwin A. Goodman. This was a special meeting called for a limited purpose.

James Costello of Lehman Brothers presented the Board with a proposal to refinance debt on the 31st Street residence hall. Cathy Bell of Loop Capital Markets also participated.

There was discussion of the several options available to the Corporation to refinance the debt. The Chairman appointed an ad hoc committee consisting of Mr. Chazen, Mr. Kaufman and Ms Peek and asked that the committee be consulted by telephone, for informational purposes, before a commitment was made

to any of the options.

The following resolution was moved and seconded and, on voice vote, approved without opposition:

1.1 Authorization to Proceed with Refinancing

62.1

The Dormitory Authority of the State of New York (the "Authority") previously issued bonds (the "Outstanding Bonds"), the proceeds of which were used to make loans to the Corporation to provide monies to finance the costs incurred in connection with the acquisition and construction of the new residential facility located at 406 West 31st Street, New York, New York.

The Board of Directors believes it is in the best interests of the Corporation to receive a further loan from the Authority in an aggregate principal amount not to exceed \$130,000,000, the proceeds of which will be used to refinance a portion of the Outstanding Bonds, and to pay the costs of such refinancing and fund reserve funds relating to the issuance of a new series of bonds by the Authority (the "Authority Bonds") and to finance other fees, costs, accrued interest and amounts to be paid to effect such refinancing (collectively, the "Plan of Finance").

On March 28, 2007, the Authority authorized the issuance of the Authority Bonds pursuant to an Authority Board resolution in order to refinance the Outstanding Bonds and to accomplish the Plan of Finance.

As a condition to the purchase of the Authority Bonds by the Underwriters, the Authority will deliver to the Underwriters a Preliminary Official Statement (the "Preliminary Official Statement") and, following the sale of the Authority Bonds, a completed Official Statement containing additional information from such sale and thereafter any amendments or modifications thereto as required by the Bond Purchase Agreement (collectively, the "Official Statement").

As a further condition to the purchase of the Authority Bonds by the Underwriters, the Corporation will be required to enter into a

continuing disclosure agreement (the "Continuing Disclosure Agreement"), which will require the Corporation to provide certain financial and operating data on a periodic basis and certain material events notices related to the Authority Bonds for disclosure to the public.

The Board of Directors has considered various information with respect to the Plan of Finance and has determined to approve the Plan of Finance and various other matters related thereto.

Therefore, it was

RESOLVED, that the President was authorized to proceed with refinancing an amount of the outstanding debt not to exceed \$130,000,000 upon determination that the Corporation will achieve a net present value savings equal to or greater than 3%.

With the completion of the business for which the meeting had been called, a motion was made and duly seconded to adjourn. By voice vote the motion was approved without opposition and the meeting was adjourned.

Respectfully submitted,

Jeffrey I. Slonim
Secretary

F.I.T. STUDENT HOUSING CORPORATION

SIXTY-THIRD MEETING

MAY 7, 2007

- 1.1** **Approval of the Minutes of the** **63.1**
Meeting Held March 5, 2007

Be it

RESOLVED, That the Minutes of the sixty-first meeting, held on March 5, 2007, be and they hereby are approved.

- 1.2** **Approval of the Minutes of the** **63.2**
Meeting Held April 4, 2007

Be it

RESOLVED, That the Minutes of the sixty-second meeting, held on April 4, 2007, be and they hereby are approved.