

Appendix 1

UC Residence Proposal - December 2003 Submission

Sensitivity Analysis

	<u>UC Submission</u>	<u>Low-Risk Case</u>	<u>Medium-Risk Case</u>	<u>Worst Case</u>
Total Project Cost	28,000,000	28,000,000	28,000,000	28,000,000
Project Cost Overrun of 5.4%	0	0	0	1,500,000
Donation Shortfall	0	0	1,000,000	1,000,000
Ancillary Contribution Shortfall	0	2,285,000	2,285,000	2,285,000
Borrowing Required	14,165,000	16,450,000	14,990,000	16,490,000
Occupancy Levels	98%	96%	94%	92%
Breakeven Year				
Annual	1	1	5	6
Cumulative	1	1	1 *	1 *
<u>Monthly Residence rate</u>				
New Residence Opening Rate	650	650	650	650
Existing Residence Opening Rate	624	624	624	624
Blended Residence Opening Rate	633	633	633	633
IRR - Combined Operations	17.11%	14.61%	13.36%	11.87%
NPV - Combined Operations (Cashflows before financing costs and net of capital cost)	19,144,600	15,386,360	12,913,120	9,786,491

* Although the ancillary incurs annual deficits in the early years, the unappropriated surplus never goes into a deficit position.

Appendix 2

UC Residence Proposal

Comaparison of models

	June 2003 <u>Model</u>	Dec 2003 <u>Model</u>	<u>Change</u>
# of Beds	277	274	(3)
Project Cost	24,040,000	28,000,000	3,960,000
Residence building	19,535,000	23,114,825	3,579,825
Drama Facility	360,000	450,000	90,000
Kitchen Renovation	2,770,000	3,030,000	260,000
Furniture & Equipment	1,375,000	1,405,175	30,175
of which Kitchen operations	525,000	555,175	30,175
Funding			
Donations	10,000,000	11,500,000	1,500,000
Raised or Pledged	8,500,000	10,000,000	1,500,000
Outstanding	1,500,000	1,500,000	0
Residence Contribution	1,485,000	1,485,000	0
Food Service Contribution	800,000	800,000	0
APF	50,000	50,000	0
Mortgage Financing	11,705,000	14,165,000	2,460,000
Bed Rates:			
New	620	650	30
Existing	572	624	52
Blended	590	633	43
Breakeven Year (Combined operations)			
Annual	1	1	0
Cumulative	1	1	0
IRR - Combined Operations	16.72%	17.11%	0.39%
NPV - Combined Operations	16,119,223	19,144,600	3,025,377
(Cashflows before financing costs and net of capital cost)			