



ALABAMA COLLEGE OF OSTEOPATHIC MEDICINE DOTHAN, ALABAMA



THE ALABAMA COLLEGE OF OSTEOPATHIC MEDICINE PARTNERED WITH CORVIAS TO DEVELOP A STATE-OF-THE-ART HOUSING PROGRAM TO ATTRACT NEW MEDICAL AND GRADUATE STUDENTS.

50 YEARS
2012-2062



In the fall of 2012, Corvias became Alabama College of Osteopathic Medicine's (ACOM's) partner and worked aggressively with them to condense a typical 18-month construction schedule into an abbreviated 10-month schedule.

PROGRAM SCOPE

Through a 50-year, sustainable partnership, Corvias partnered with ACOM to finance, develop, operate, and manage on-campus residential housing. As a fairly new institution, ACOM was able to focus on building and establishing the school knowing that Corvias would provide quality housing. Summerfield Square, ACOM's residence-hall project, included construction of three, three-story garden style apartment buildings totaling 199,097 square feet (SF), consisting of one-bed / one-bath units and two-bed / two-bath units. The three halls span 10 acres and include a clubhouse with large fitness and gathering areas, as well as an outdoor lap pool, sports courts, a fire pit, BBQ grill, and a playground. Corvias' exceptional customer service resulted in a score of 6.92 on a 7-point scale from the distinguished group of medical and graduate students at ACOM and continues to remain high while meeting the needs of both the college and its students.

\$6.7 MILLION
CAPITAL RAISE



230 BEDS
(199,097 GSF)



FINANCING SOLUTION

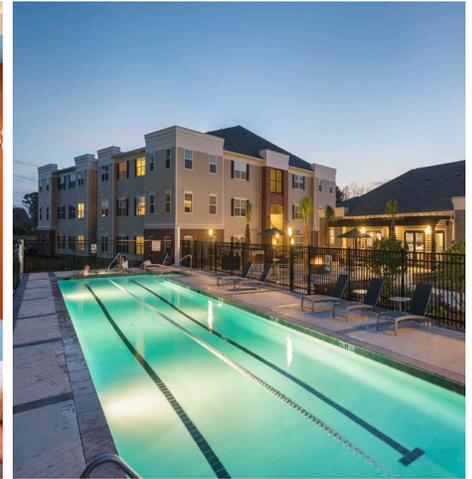
Corvias utilized an \$8 million equity financing solution which required \$0 cash equity from the school and posed no financial risk to the college, while preserving the college's debt capacity. This partnership was achieved through a 50-year ground lease and a Long-Term Cooperation Agreement which further outlined governance, allowing ACOM to maintain control and influence over the housing. Corvias was able to raise private capital, gain efficient use of limited resources, and use proven private sector best-management practices. Working in partnership with ACOM, Corvias developed and executed a financial structure that met each of ACOM's goals.

1,595 SERVICE ORDERS COMPLETED



\$3.2 MILLION
TOTAL RETURNED TO PARTNER





PROGRAM REINVESTMENT

To support the program for the long-term, Corvias has established sufficient reserves to ensure ACOM's housing is devoid of deferred maintenance and always in quality condition. In addition to standard operating reserves, Corvias establishes a robust Capital Repair and Replacement (CR&R) program as well as a dedicated program reinvestment reserve. This allows for a comprehensive approach to lifecycle management, as well as a long-term development plan, eliminating deferred maintenance across the campus' housing inventory.

With each renovation or replacement, Corvias and ACOM can ensure the housing program meets the ever-changing needs of the college and its future students, while offering continuously modern and marketable facilities. Because of this, ACOM does not need to invest any additional funds into the program to update and maintain its housing for the full 50-year term, resulting in the ability to focus its capital to other needs and priorities on campus.

MEETING AGGRESSIVE SCHEDULE DEMAND

Corvias took great care to coordinate all efforts in a timely manner, to meet ACOM's ambitious timeline for completing Summerfield Square. Once construction was underway, strategic planning allowed for site and vertical subcontractors to share limited work space and maintain the aggressive schedule. A 12-hour workday, seven days a week, was implemented that greatly benefited the program.

COMMUNITY & ECONOMIC IMPACT

During construction, and through the life of the partnership, Corvias is dedicated to utilizing and developing the local workforce. To date, nearly 83% of all subcontracts have been allocated to small business enterprises and 82% have been utilized on local vendors. These expenditures have provided Alabama businesses with both valuable training opportunities, and will provide economic security throughout the duration of the 50-year partnership. Furthermore, Corvias Foundation, Corvias' charitable arm, has made substantial charitable contributions in and around Alabama, the fringe impacts of which are immeasurable.

PARTNERSHIP DETAILS

- Develop new on-campus housing, catering to medical and graduate students
- One- and Two-bedroom apartments, in an apartment style, for first- and second-year students offering private bedrooms and bathrooms
- Public spaces for relaxation, fitness, and collaboration, as well as an office area

DURATION

50 years, 2012-2062

CAPITAL RAISE

\$6.7 million

FINANCING STRUCTURE

Equity Finance / Partnership Equity

PLACEMENT AGENT

100% Equity Financed

PROGRAM SIZE

230 beds/199,097 GSF/10 acres

INITIAL DEVELOPMENT

\$14 million

LONG TERM DEVELOPMENT

\$14.6 million in ongoing replacement/renovation/modernization

SUBCONTRACTING

79% small businesses/77% local businesses

O&M / CAPITAL IMPROVEMENTS

\$71 million in O&M spending including CR&R and capital improvements

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