



2026 ANNUAL CONFERENCE OAKLAND, JANUARY 11 - 13

AUXILIARY ORGANIZATIONS ASSOCIATION

THE NEXT ERA OF AUXILIARIES
SHAPING TOMORROW

Auxiliaries in Action

Accelerating Housing through
P3 Innovation



University Enterprises, Inc.
SACRAMENTO STATE

GREYSTAR

 BRAILSFORD & DUNLAVEY



PROPERTY DEVELOPMENT
AND MANAGEMENT

AGENDA

1. **Panel Introduction**
2. **University Context**
3. **The Opportunity**

Panel Introduction



John Melikian
Executive Director
University Enterprises, Inc.



Eric Anderson
Executive Director
The CSU System



Gabe Gardner
Senior Director
Greystar



Matt Bohannon
Vice President
Brailsford & Dunlavey



David Prokopenko
Senior Associate
Brailsford & Dunlavey

University Context

Shifting the Culture

Sacramento State University is committed to realigning its culture to that of a residential campus.

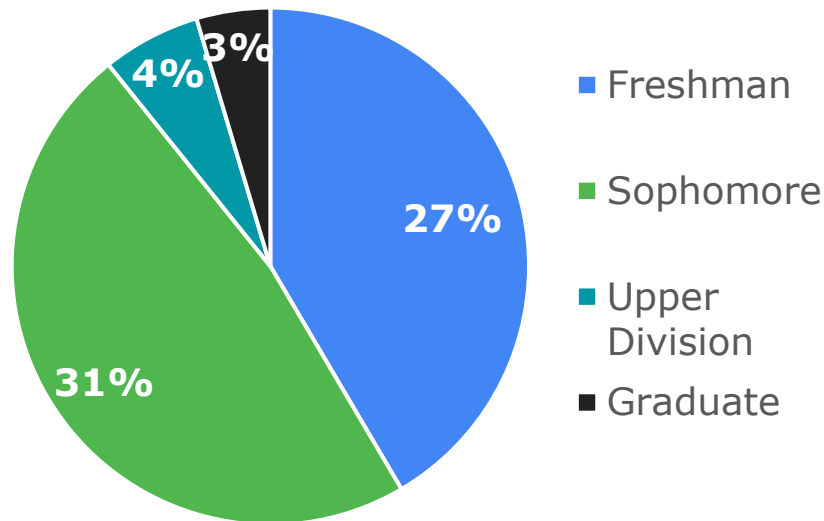
Diversifying Housing Options

Roughly **70%** of the current housing supply is in residence hall configurations.

Enhancing Student Success

Students who live on campus persist, perform, and graduate at higher rates because of their greater access to support services, stronger peer networks, and fewer barriers to learning.

Est. Student Capture



11% Weighted Average Capture

The Opportunity

Phase One: 5
Months

Project Definition
Financial Conceptualization

Phase Two: 4
Months

Solicitation &
Partner Selection

Phase Three: 11
months

Negotiation of Agreements, CEQA
City of Sacramento & CSU
Approvals
Design Oversight

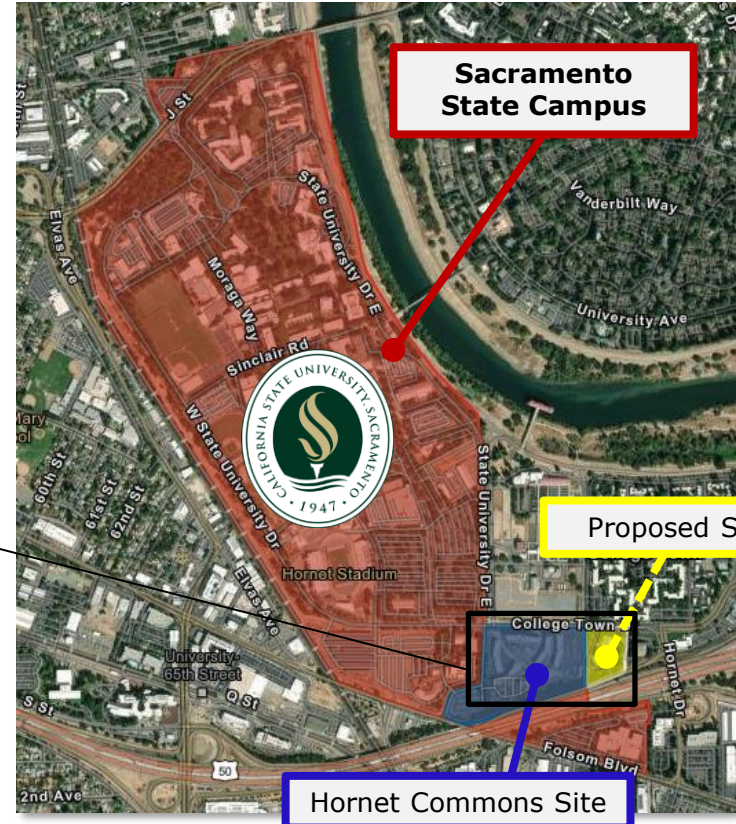
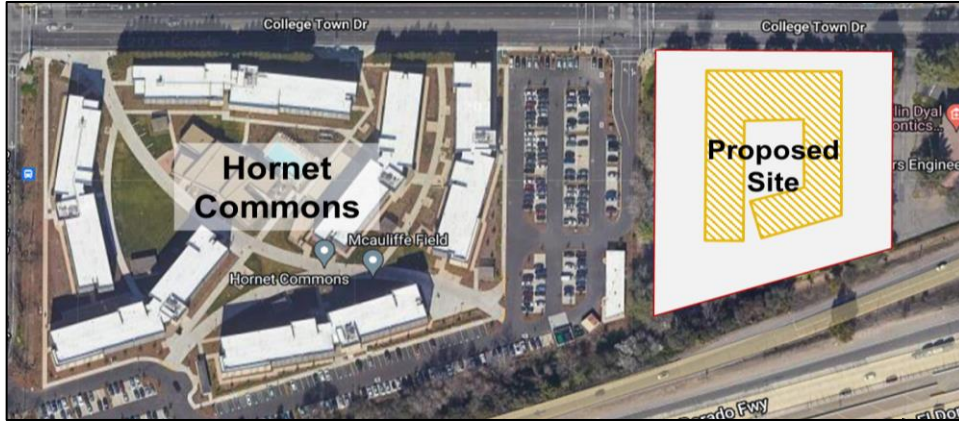
Phase Four: 6
months/
24 months

Implementation/Construction
Ballfields Construction: Spring
2019 Completion
Housing: Summer 2021 Opening



Hornet Commons, 2021

The Opportunity



The Opportunity

CSU Process

Stage 1: Concept

Stage 2: LDRC Concept Review

Stage 3: Board of Trustees Concept Approval

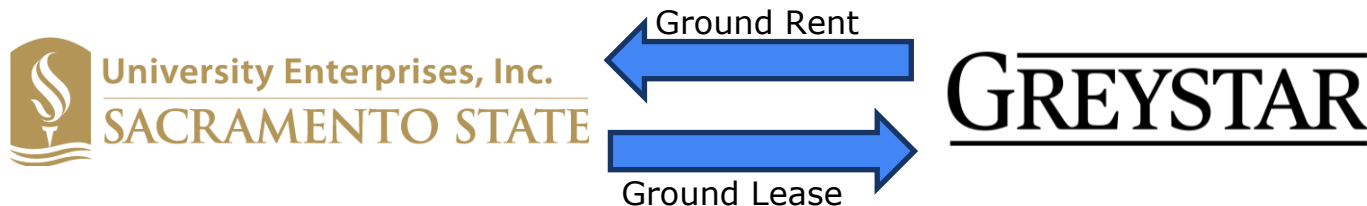
Stage 4: Due Diligence

Stage 5: LDRC Final Review

Stage 6: Board of Trustees Approval

Task	Date
BOT Approved Financing	November 2023
Land Acquired	November 2023
Legal Opinion on Prevailing Wage	January 2024
Initial Terms Agreed	February 2024
HPRC/LDRC Meeting	February 2024
BOT Concept Approval	July 2024
Pre-Development Agreement Signed	April 2025
Final HPRC/LDRC Meeting	April 2025
Design Complete / Final GMP	May 2025
BOT Meeting/Appr. of Ground Lease	July 2025
Building Permit Received	July 2025
Construction Begins	August 2025
Construction Completed	March 2027
Testing, Fit-Out, Punchlist Complete	April 2027
Students Move In	August 2027

The Opportunity



P3 and Risk Transfer

Utilizing a P3 Equity partnership allowed UEI to progress the project in a more time efficient, and cost effective way.

- UEI was able to sole-source the partnership with Greystar, building off of the prior collaboration at Hornet Commons, and ensuring similar terms and structure.
- Greystar was able to utilize existing project designs to expedite their own design process without needing to adhere to campus architect and design standards.
- The project did not utilize any state-funding, with UEI being fully reimbursed at financial close, ensuring limited financial risk for the auxiliary and university.
- Greystar will develop, own, and manage/maintain the housing during the duration of the ground lease.

The Opportunity

Greystar Relationships and Expertise Secured Healthy Budget

- Representative of current 352 bed program of 140,401 gross square feet.
- Greystar will fund with combination of private equity and debt.
- Budget was developed assuming non-prevailing wage per outside counsel and OGC guidance on applicability, pursuing entitlements and permits through the City of Sacramento, and the project would be exempt from certain impact and development fees such as parks, recreation, and schools.

Cost Item	Amount*	Per Bed Amount
Upfront Contribution to UEI	\$1,750,002	\$4,972
Hard Costs	\$41,299,753	\$117,329
Soft Costs	\$11,999,019	\$34,088
Financing Costs	\$7,091,498	\$20,146
Total Budget	\$62,140,272	\$176,535
<i>Comparable CSU Housing Project Cost Averages</i>		<i>\$311,000*</i>

The Opportunity



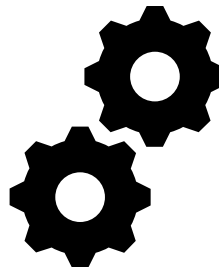
Cost & Capital Pressures

- Rising Construction & Labor Costs
- Challenging Equity/Debt Market
- Operating Cost Escalation (utilities, insurance)



Student Needs & Affordability

- Pressure to deliver truly affordable beds
- Rising basic-needs expectations
- Balancing amenities/programming with cost



Campus & External Constraints

- Procurement/ oversight complexity
- Enrollment uncertainty
- Neighborhood & political sensitivities

The Opportunity

Pre-Opening

1. Demolition costs reimbursed by Greystar → **\$250,000**
2. Land acquisition costs reimbursed → **\$1,000,000**
3. Pre-development costs reimbursed → **\$750,000**
4. All city and impact fees included in project cost, no cost to UEI

Project Operations

1. 7.25% of gross revenue
2. Additional security cost reimbursement
 - \$60K from Greystar for Hornet place
 - \$190K from GEDR for Hornet Commons (amendment to Cooperation Agreement)

\$350K+

contributing to UEI's annual revenue

\$121M+

UEI anticipated cumulative cash flow over 80 years

9%+

Levered IRR to Greystar

The Opportunity





HORNET PLACE

RENTALS

TACO

Q&A Discussion



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THANK YOU!

