BOARD OF REGENTS
BRIEFING PAPER

1. **AGENDA ITEM TITLE: University of Nevada, Reno - Mathewson Gateway District Hotel Information Update**

   MEETING DATE: September 3 & 4, 2026

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Background and Prior Board Actions
In December 2021, the University of Nevada, Reno presented a development concept for the Mathewson Gateway District to the Board of Regents, including a College of Business Building and a Hotel Conference Center. In June 2023, the Board of Regents approved the College of Business Building as the first academic structure prioritized for the Gateway District. On December 4, 2025, the Business, Finance and Facilities Committee received an information item (BFF-12, December 4, 2025) on the Gateway Hotel Conference Center, identifying Tolles Development Company, LLC as the proposed Developer, a tax-exempt bond financing structure, and the formation of a special purpose 501(c)(3) entity. This item updates the Board of Regents on progress since that briefing paper and previews the agreements that will be brought to the Board for approval at the December 2026 meeting.

Project Overview. The Project will be a 134-key, six-story Marriott Tribute Portfolio hotel with 2,940 square feet of meeting space, a rooftop bar, a lobby lounge, and a café on a 32,889-square-foot (0.76-acre) site within the Mathewson Gateway District. Construction completion is estimated for December 2028, ahead of the Spring semester of the 2028-29 academic year, and the Hotel is expected to open on January 1, 2029. The Project will be the first new hotel construction in downtown Reno in twenty years.

1. Project Participants: The Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno, will be the Ground Lessor. A new 501(c)(3) special purpose entity will be formed as the Owner/Borrower. Tolles Development Company, LLC (through TDC Gateway Hotel LLC) will be the Developer. MIF, L.L.C., a subsidiary of Marriott International, Inc., will be the Franchisor for the Marriott Tribute Portfolio brand. The National Finance Authority will issue the bonds as it did for the College of Business and Fieldhouse projects in 2023 and 2025. MIF, L.L.C. will also serve as the Hotel Manager under a Hotel Management Agreement. White Label Asset Management will serve as Asset Manager and The Hardy Group will serve as Construction Manager. The Trustee remains to be determined. The University of Nevada, Reno Foundation will participate in the 2026 Financing as a Third Lien lender and will provide a letter of credit of approximately $5.0 million to initially fund the Series 2026 A debt service reserve fund and the ramp-up reserve.

2. Proposed Financing: The Project will be 100% debt-financed through three lien tranches. Total proposed sources of funds are approximately $78.3 million, of which approximately $71.0 million is bond par. Approximately $65.5 million is directed to development and construction costs, with the remainder to debt service reserves, capitalized interest, ramp-up reserves, and cost of issuance.
   - First Lien (Series 2026 A, tax-exempt): approximately $47,900,000 par at a 6.00% estimated cost of capital, held by institutional investors, 32-year fully amortizing.
   - Second Lien (Series 2026 B, taxable): approximately $10,000,000 at 3.75%, held by the Nevada State Infrastructure Bank, 30-year fully amortizing.

- Third Lien (Series 2026 C, taxable): approximately $13,086,000 at a 6.00% estimated cost of capital, held by the University of Nevada, Reno Foundation, 32-year fully amortizing.

- The Series 2026 A Bonds are projected to carry a minimum debt service coverage ratio of 2.25x and an average of 2.52x, and will be secured by a first lien on Project revenues net of operations and maintenance, a leasehold mortgage on the Project, a debt service reserve fund, and a capitalized interest fund. Pricing and closing of the 2026 Financing are targeted for December 2026.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

This is an information-only item. No Board action is requested. President Sandoval will present an update to the Board of Regents on the proposed Mathewson Gateway District Hotel covering project participants, project structure, financing structure, security and recourse provisions, schedule, and the path to Board approval at the December 2026 meeting.

4. IMPETUS (WHY NOW?):

- This item updates the Board of Regents on progress since the December 4, 2025 BFF-12 information item.
- Near-final Ground Lease, Affiliation Agreement, and Marriott Licensing Agreement are anticipated to be submitted to the Board of Regents for approval at the December 2026 meeting, in advance of the anticipated December 2026 pricing and closing of the 2026 Financing.
- The proposed 2026 Financing is non-recourse to the University of Nevada, Reno and the Board of Regents; neither bears any financial obligation under the financing.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

X Access (Increase access to higher education)
X Success (Improve student success)
Close Institutional Performance Gaps
Workforce (Meet workforce needs in Nevada)
Research (Increase solutions-focused research)
Coordination, Accountability, and Transparency (Ensure system coordination, accountability, and transparency)
❑ Not Applicable to NSHE Strategic Plan Goals

6. INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

Access. The Project will provide on-campus accommodations for athletic visitors, prospective students and families, and academic conferences, expanding the University of Nevada, Reno's ability to host events and visitors who support recruitment and access. Success. After bond service, operating costs, and hotel management expenses, all net Project revenues are directed to the University of Nevada, Reno, providing a long-term, non-recourse revenue source available to support student success programming. The Project will revert to the University of Nevada, Reno upon full repayment of the 2026 Financing.

7. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- Information Only.
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8. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

Information Only.

9. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Information Only.

10. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

11. COMPLIANCE WITH BOARD POLICY:

X Consistent With Current Board Policy: Title # _4_ Chapter # _10_ Section # 1(9), Table 9.1__

❑ Amends Current Board Policy: Title #_____ Chapter #_____ Section #_______

❑ Amends Current Procedures & Guidelines Manual: Chapter #_____ Section #_______

❑ Other:____

❑ Fiscal Impact: Yes_____ No__X___

Explain: Information item only. The proposed 2026 Financing is structured as a non-recourse project finance transaction payable solely from Project revenues; neither the University of Nevada, Reno nor the Board of Regents bears any financial obligation under the proposed 2026 Financing.

Mathewson Gateway District Hotel

Nevada System of Higher Education
Board of Regents

September 3, 2026

University of Nevada, Reno

University of Nevada, Reno

Mathewson Gateway District Hotel

Executive Summary

The Developer and the University of Nevada, Reno (the “University” or “UNR”) intend to construct a 134-key, six-story lifestyle hotel in UNR’s Mathewson Gateway District to serve the University community and visitors (the “Project”).

✓ Ownership of the Project will transfer to UNR/NSHE upon the full repayment of debt facilities (the “2026 Financing”).

✓ ***This will be the first new hotel construction in downtown Reno in 20 years.***

Key Project Elements

- **Project Agreements.** NSHE’s Board of Regents, on behalf of UNR and upon approval of the Project, will enter into a Ground Lease and Affiliation Agreement with the Owner/Borrower and [Operations and Maintenance Agreement, Franchise Agreement, and a Licensing Agreement] with the Franchisor (Marriott International).
- **Financing Security.** The bonds will be secured by the net revenues as well as a leasehold mortgage of the Project. The 2026 Financing is to be structured as a “project finance” transaction, payable solely from the Project’s revenues. Neither UNR nor NSHE’s Board of Regents has any financial obligations under the proposed 2026 Financing.
  - Applying for rating on approximately [$47.9] million of Senior Series 2026A Bonds
  - Additional non-rated liens include:
    - $10.0 million Subordinate Series 2026B Bonds placed with Nevada State Infrastructure Bank; and
    - [$13.1] million Junior Subordinate Series 2026C Bonds placed with UNR’s Foundation. The UNR Foundation will also serve as a letter of credit provider for certain reserves ~[$5.0] million.
- **Financing Structure.** The Project’s development, design, and construction will be 100% debt-financed and secured by Project revenues over 32 years upon financial close.
- **Ownership and Management.** The Project will be owned by a not-for-profit Owner/Borrower during the term of the 2026 Financing and will revert to UNR upon debt repayment. The Project will be managed by Marriott upon construction completion (estimated December 2028).

Proposed Project Location

Mathewson Gateway District Hotel

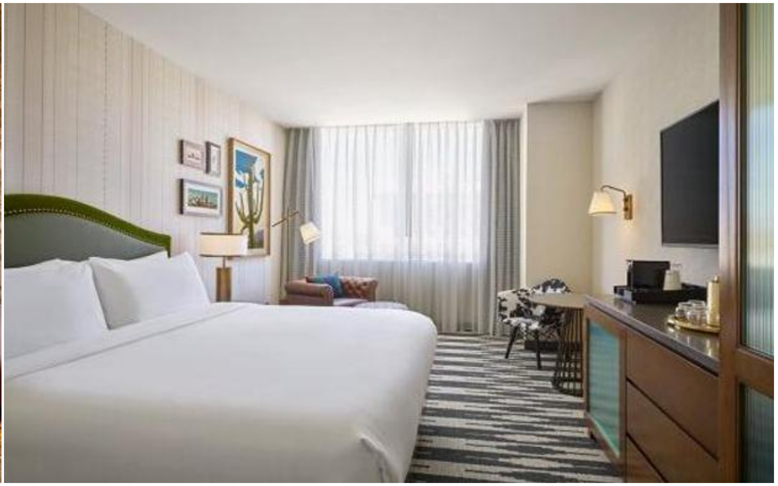
Hotel Renderings

University of Nevada, Reno

Mathewson Gateway District Hotel

Design Inspirations

University of Nevada, Reno



Mathewson Gateway District Hotel

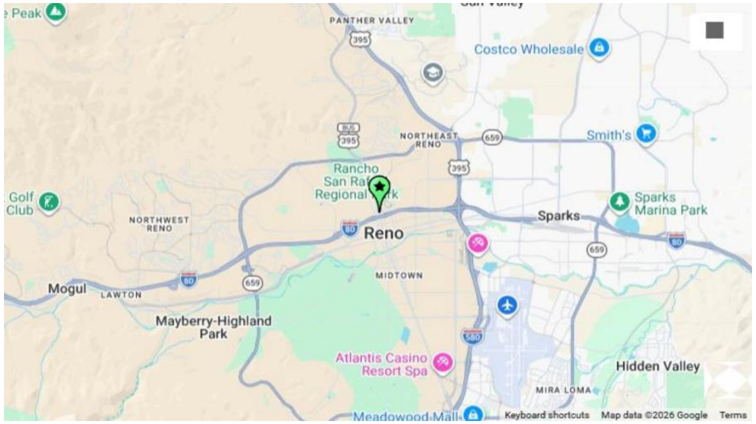
Project Summary

University of Nevada, Reno

Project Overview

- The Mathewson Gateway District Hotel (the “Hotel”) will occupy a 32,889-square-foot (0.76-acre) site that is planned to be improved with a full-service, boutique lodging facility. This neighborhood is in the growth stage of its life cycle.
- Expected to open on January 1, 2029, the Hotel will feature 134 rooms, a rooftop bar, a lobby lounge, a café, 2,940 square feet of meeting space, a fitness room, a business center, and a gift shop/retail boutique.
- The Hotel will also contain the appropriate parking capacity (valet only and third-party operated), which is owned by the University, and all necessary back-of-the-house space.
- Will be branded and operated by Marriott; the “Tribute Portfolio” is one of Marriott’s newest “collection” brands, consisting of independent boutique hotels.
- As the only full-service hotel developed in the market in decades, the Hotel will fill a void between the market’s casino hotels and select service/extended stay lodging products. The Hotel will offer a fresh, modern product in an irreplaceable location adjacent to UNR’s campus and business school with immediate access off I-80 and within walking distance of downtown Reno.
- The primary development in the neighborhood is the Mathewson Gateway Project, of which the Hotel is to be a part. The Mathewson Gateway Project is a joint venture between the City of Reno and UNR to connect campus to Downtown Reno.

Location Map



Source: HVS Market Study

The Project

University of Nevada, Reno

Highlights of the Project for NSHE's consideration are listed below. While there is direct UNR / NSHE benefit, there are also economic and qualitative benefits to the Reno community.

- The Project is part of the larger Mathewson Gateway Project, which when fully completed will encompass the new state-of-the-art John Tulloch Business Building housing UNR's business school, an 800-space parking garage, and the proposed subject hotel.

Project Overview

- 134-key hotel accompanied by conference rooms, a rooftop restaurant, upscale amenities
- Franchised under Marriott's "Tribute Portfolio" brand
- Construction is anticipated to be completed by December 2028
- Project is to be developed and financed without recourse to UNR, but with UNR's input

Community Impact*

- Advances Reno's vision of a stronger "college town" by connecting University activity with Downtown Reno
- Creates a more active, well-lit, and walkable corridor between campus and the city center
- Brings University programming and visitors into the downtown core, increasing community engagement
- Expands capacity for regional conventions, conferences, and community events

Benefits to the UNR Community

- Supports conferences, symposia, academic events, and sponsored research activities
- Enhances student recruitment by accommodating prospective students and families during campus visits and orientation programs
- Expands lodging and event capacity for commencement and supports athletics through lodging for visiting teams, officials, recruits, and event attendees

Economic Benefits*

- 160–225 construction job-years, $38M to Nevada contractors
- 40 full-time hospitality jobs with competitive wages
- $18M annual economic output from $12M
- Boosts non-gaming tourism, attracting academic and tech conferences

*Source: July 2025 Presentation to the Nevada State Infrastructure Bank; subject to revisions based on latest economic conditions, among other considerations.

Key Project Participants

University of Nevada, Reno

501(c)(3) Special Purpose Entity

Borrower

- Established in 1998, the **Community Foundation of Northern Nevada** (the "**Community Foundation**") is organized as a nonprofit corporation under the laws of Nevada to complement and enhance the existing philanthropic efforts of nonprofit organizations in the State.
- The Community Foundation will establish a 501(c)(3) entity to serve as Obligor for the Project.

Issuer

- The **National Finance Authority** ("**NFA**") is authorized to issue tax-exempt bonds in order to assist local governments, non-profit organizations and businesses by promoting economic, cultural and community development.
- Served as issuer for the bonds that financed the College of Business and Fieldhouse projects at UNR in 2023 and 2025, respectively.

Developer

- **Tolles Development Company, LLC** ("**Tolles**") is the sole member of the Developer, TDC Gateway Hotel LLC.
- Institutional-Grade Execution: Since 1994, Tolles has delivered ~15M SF of commercial and industrial projects, including several million SF of developments for Washington Capital Management and the $175M Airway Commerce Center—demonstrating dependable execution for institutional capital.
- Regional Leader with Scale: Northern Nevada's leading commercial developer, with a diversified portfolio and a strong track record of on-time, high-value delivery backed by deep equity and lender relationships.

Franchisor / Operator

- Franchisor and Manager is **MIF, L.L.C.**, a limited liability company established under the laws of the State of Delaware in 2012 and a subsidiary of **Marriott International, Inc.** ("**MII**" or "**Marriott**").
- **Tribute Portfolio** hotels and resorts ("**Tribute Portfolio Hotels**") is one of thirty-six brands and businesses of Marriott. These are full-service hotels that cater to business and leisure travelers.

Asset Manager

- Led by experts with experience in both hotel ownership and property-level operations providing services related to hotel development, acquisition, feasibility, appraisals and dispositions.
- From local boutique properties to industry-best global brands, **White Label** manages a $3.9 billion portfolio for 53 hotels across 20 states and among 27 different brands.

Construction Manager

- **The Hardy Group** is a premier hospitality firm specializing in complex development and project management and is a strategic partner due to its extensive experience in hospitality development.

Key Credit Highlights

University of Nevada, Reno

Institutional Commitment to the Project	• **UNR** will enter into a long-term **Ground Lease** and **Affiliation Agreement** with the Borrower for a term greater than the final maturity of the Series 2026 Bonds. ✓ The Project will be on University-owned land at the gateway of its campus. • **UNR's Foundation** will commit to investing in the Project by (1) funding Series 2026A Bonds' debt service reserve fund via Foundation letter of credit; and (2) purchasing Series 2026C Bonds.
Significant Market Demand	• Market study, completed by **HVS**, anticipates that the Mathewson Gateway District Hotel is expected to be highly successful due to its excellent location, strong brand affiliation, and price/product positioning. ✓ Specific benefits of the Project and related geography include: (1) its ability to capture demand generated by UNR and the growing commercial/tech sector; and (2) strong leisure demand generated by the Lake Tahoe area. • As the only full-service hotel developed in the market in decades, the Project should fill a void between the market's casino hotels and select service/extended stay lodging products.
Highly Experienced Project Partners	• **Tolles Development Company** ("Tolles") has developed a wide array of industrial, office and retail projects across the country with a focus on the Northern Nevada market. Past engagements include those with UNR. • **Marriott International** ("Marriott") is the world's largest lodging company, operating and franchising over 9,900 properties with more than 30 brands across 146 countries. • **White Label Asset Management** ("White Label") pairs top-level thinking of hotel ownership experience with the day-to-day tasks of property-level expertise across its portfolio of 53 hotels.
Robust Liquidity and Legal Provisions	• Strong debt service coverage ratios with minimum DSCR of [2.25x] and average DSCR of [2.52x]. • Robust liquidity provisions with debt service reserve fund, repair and replacement fund, ramp up reserve and operating reserve fund. • Anticipated to have market-accepted flow of funds, security provisions and construction risk mitigants.

Series 2026 Bonds: Summary of Terms

University of Nevada, Reno

Issuer	National Finance Authority (the "Issuer" or the "Authority") or another eligible conduit issuer
Borrower	Community Foundation – UNR Hotel Properties LLC (the "Borrower") • 501(c)(3) entity created for the purpose of this issuance • Its sole member is the Community Foundation of Northern Nevada (the "Community Foundation")
Issue Description	Hotel Revenue Bonds (Community Foundation – UNR Hotel Properties LLC – University of Nevada, Reno Hotel Project) Series 2026 (the "Series 2026 Bonds"), consisting of: 1. Senior Hotel Revenue Bonds, Series 2026A (the "Series 2026A Bonds") 2. Subordinate Hotel Revenue Bonds, Series 2026B (the "Series 2026B Bonds"); and 3. Junior Subordinate Hotel Revenue Bonds, Series 2026C (the "Series 2026C Bonds").
Project	The Series 2026 Bonds will be used to: 1. Finance the cost of the development, construction and equipping of a new hotel (the "Project") on the campus of the University of Nevada, Reno ("UNR"); 2. Fund capitalized interest; 3. Pay issuance costs associated with the Series 2026 Bonds. In addition to the Series 2026 Bonds, the UNR Foundation will provide a letter of credit to satisfy the Series 2026A Bonds' debt service reserve fund
Tax Status	Series 2026A – Tax-Exempt | Series 2026B – Taxable | Series 2026C – Taxable
Estimated Par Amount	Series 2026A – [$47,900,000] | Series 2026B – [$10,000,000] | Series 2026C – [$13,086,000]
Security	Pledge and Assignment of Trust Estate, including Security Interest in Project Revenues & Assets | Leasehold Mortgage | Assignment of Project Contracts and Agreements | Debt Service Reserve Fund | Capitalized Interest Fund | Operations Contingency Fund | Repair and Replacement Fund
Developer	Tolles Development Company, LLC
Franchisor / Operator	Marriott International – Tribute Portfolio
Target Pricing Date	December 2026
Target Closing Date	December 2026

Mathewson Gateway District Hotel

Financing Structure Overview

University of Nevada, Reno

Legend

- Agreement
- Funds to Borrower
- Funds from Borrower

Ground Lessor

Board of Regents of the Nevada System of Higher Education, on behalf of University of Nevada, Reno

Ground Lease and Affiliation Agreement

Ground Rent Payment

Borrower

To be formed Project Company

501(c)(3) special purpose entity related to the Community Foundation

Loan Agreement

Bond Proceeds

Loan Payments

Trustee

To be determined

Trust Indenture

Issuer

NFA

Series 2026 Bonds

Bond Proceeds

Debt Service

Series 2026 Bonds

1st Lien Debt

NSIB Loan Agreement

Loan Proceeds

Debt Service

NSIB

2nd Lien Debt

Foundation Loan Agreement

Loan Proceeds

Debt Service

UNR Foundation

3rd Lien Debt

Hotel Management Agreement

License Agreement

Hotel Operator

Marriott INTERNATIONAL

Development Agreement

Developer

tolles

TDC Gateway Hotel LLC

Construction Contract

Contractor

PINECREST CONSTRUCTION & DEVELOPMENT CO.

Asset Management Agreement

Asset Manager

WHITE LABEL ASSET MANAGEMENT

Summary of Key Provisions: Ground Lease

University of Nevada, Reno

Ground Lease	
Overview	The Project and the land upon which it will be constructed (collectively, the "Premises") will be leased to the Borrower by the University (as defined herein), pursuant to a Ground Lease (the "Ground Lease"). The Ground Lease will be dated the date of issuance of the Series 2026 Bonds.
Landlord	The Board of Regents of the Nevada System of Higher Education, on behalf of UNR (the "Board" or the "University")
Tenant	The Borrower
Effective Date	Estimated to be December 2026, the closing date of the 2026 Bonds
Term Expiration	The term expires on the earlier of: • Term of 2026 Bonds plus [X] years after Effective Date; or • The date that all amounts due and payable under the Permitted Mortgage are paid in full and discharged.
Permitted Use	• Tenant may construct, own, operate, maintain, and manage the Hotel Project • Hotel must be operated as a non-gaming, non-smoking hotel and comply with University requirements and approved plans
Rent	The Tenant shall pay the Landlord an absolute net annual rent as follows: • Base Rent: $1.00 annual rent payable by the Borrower • Net Operating Rent: the amount on deposit in the Surplus Fund as of the last day of a Fiscal Year that is to be paid to Landlord
Tenant's Obligations	• Tenant shall construct, own, operate, and maintain the Hotel Project in accordance with approved plans, University Standards, and applicable laws • Tenant shall at all times during the Term, at its sole cost and expense, keep and maintain the Demised Premises in good order, condition, and repair and in a clean and sanitary condition, and in accordance with all Legal Requirements
Landlord's Obligations	• Landlord shall at all times during the Term provide, maintain, and keep in good operating order, condition, and repair the Common Areas in accordance with the terms of Exhibit N in the Ground Lease • Landlord shall deliver and preserve Tenant's access to the Premises and Common Areas as provided in the Ground Lease
Permitted Mortgage	• Tenant may grant a mortgage/security interest in its leasehold estate • Landlord's fee interest may not be encumbered • Permitted Mortgagee receives notice and cure rights and may succeed to Tenant's interest following foreclosure

Mathewson Gateway District Hotel

Summary of Key Provisions: Affiliation Agreement

University of Nevada, Reno

Affiliation Agreement	
Parties	The agreement is made between: • Board of Regents of the Nevada System of Higher Education, on behalf of UNR (the “Board” or the “University”); and • The Borrower
Project Affiliation	• Project will serve as an affiliated hotel for the University • Parties will cooperate to support University-related lodging, conference, meeting, and event needs • Relationship does not create a partnership, joint venture, or agency relationship between the parties
Effective Date	Estimated to be December 2026, the closing date of the 2026 Bonds
Term Expiration	Initial term equal to the term of the Ground Lease, subject to: • Early termination as provided by the Affiliation Agreement; or • Optional extension as provided by Section 3.2 of the Affiliation Agreement
University Benefits	• Priority access to hotel rooms, meeting space, and event facilities for University-related functions • Cooperation regarding conferences, athletic events, alumni activities, and other University programs • Hotel to coordinate use of the Project for University-sponsored events
Select Tenant Obligations	• Maintain and operate the Project in a high-quality and first-class manner • Coordinate use of the Project for University-related events and activities • Provide operational and management information reasonably requested by UNR • Comply with brand, operating, and maintenance standards • Acknowledge UNR’s ownership transfer rights following repayment of Financing
Select Landlord Obligations	• Cooperate with Tenant in furtherance of the affiliation relationship • Support coordination of University events and activities at the Project • Not be deemed a partner, joint venturer, or participant in the Tenant’s business operations
Ownership Transfer	Upon repayment or discharge of the Financing, UNR may require transfer of legal ownership of the Project to UNR or its designated transferee in accordance with the transaction documents

Mathewson Gateway District Hotel

Proposed Capital Stack

University of Nevada, Reno

Issue Description	Senior Series 2026A	Subordinate Series 2026B	Junior Subordinate Series 2026C
Proposed Holder	Institutional Investors	Nevada State Infrastructure Bank (NSIB)	UNR Foundation
Type	Tax-Exempt	Taxable	Taxable
Par Amount	[$47,900,000]	[$10,000,000]	[$13,086,000]
Estimated Cost of Capital (%)	6.00%	3.75%	6.00% (to match Series 2026A Bonds)
Security	First lien on all revenues net of O&M and a leasehold mortgage on the Project	Second lien on all revenues net of O&M and a second leasehold mortgage on the Project	Third lien on all revenues net of O&M
Term	32 years, fully amortizing	30 years, fully amortizing	32 years, fully amortizing
Structure	Current interest bonds	Current interest bonds	Current interest or capital appreciation bonds
Minimum and Average DSCR	[Min: 2.25x] [Average: 2.52x]	[Min: 1.38x]	[Min: 1.00x]
DSRF	Debt Service Reserve Fund[1] funded to Maximum Annual Debt Service	-	-
Event of Default	Failure to pay principal or interest when due is an event of default	Failure to pay principal or interest when due is NOT an event of default. Unpaid amounts will accrue at stated rate of interest	Failure to pay principal or interest when due is NOT an event of default. Unpaid amounts will accrue [and accrete] at stated rate of interest

[1] Funded initially with Letter of Credit from UNR Foundation; to be replaced by Project cash flow.

Mathewson Gateway District Hotel

Waterfall of Trust Funds

University of Nevada, Reno

1. **Revenue Fund**
2. **O&M Fund**
   (Including Operator Fees)
3. **Senior Bond Principal & Interest**
4. **Subordinate Expenses**
   - *Borrower Fees*
   - *Asset Manager Fees*
   - *FF&E Expense*
   - *Letter of Credit Fees*[1]
5. **NSIB Loan Principal & Interest**
6. **Operating Reserve Funding**
   - ***Operating Reserve*** *to equal 50% of subsequent year's operating expenses, funded out of cash flow*
7. **Senior Debt Service Reserve Replacement**
   - ***Letter of Credit*** *from UNR Foundation will be replaced by cash-funding Series 2026A DSRF with available cash from operations*
8. **University Foundation Loan Principal & Interest**
9. **Surplus Fund and Ground Rent to UNR**

[1] Fees payable on the Letter of Credit provided by the UNR Foundation to initially fund the Series 2026A Debt Service Reserve Fund.

Financing Overview

University of Nevada, Reno

Summary Results *$ in 000's*

Sources of Funds	
Senior Series 2026A Bonds (Tax-Exempt)	$47,900
Subordinate Series 2026B Bonds (Taxable)	10,000
Junior Subordinate Series 2026C Bonds (Taxable)	13,086
Interest Income During Construction	2,244
Letter of Credit	
Senior Debt Service Reserve Fund	4,033
Ramp Up Reserve	1,074
Total Sources	**$78,336**

Uses of Funds	
D&C Costs	$65,470
Capitalized Interest During Construction	5,748
Cost of Issuance	2,012
Senior Series 2026A Debt Service Reserve Fund	4,033
Subordinate Series 2026B Debt Service Reserve Fund	-
Ramp Up Reserve	1,074
Total Uses	**($78,336)**

Key Metrics	
Tenor	32 Years
Gearing (Senior Debt %)	82.7%

DSCR	
Min DSCR	2.25x
Avg DSCR	2.52x

Mathewson Gateway District Hotel

Project Cash Flow: Details

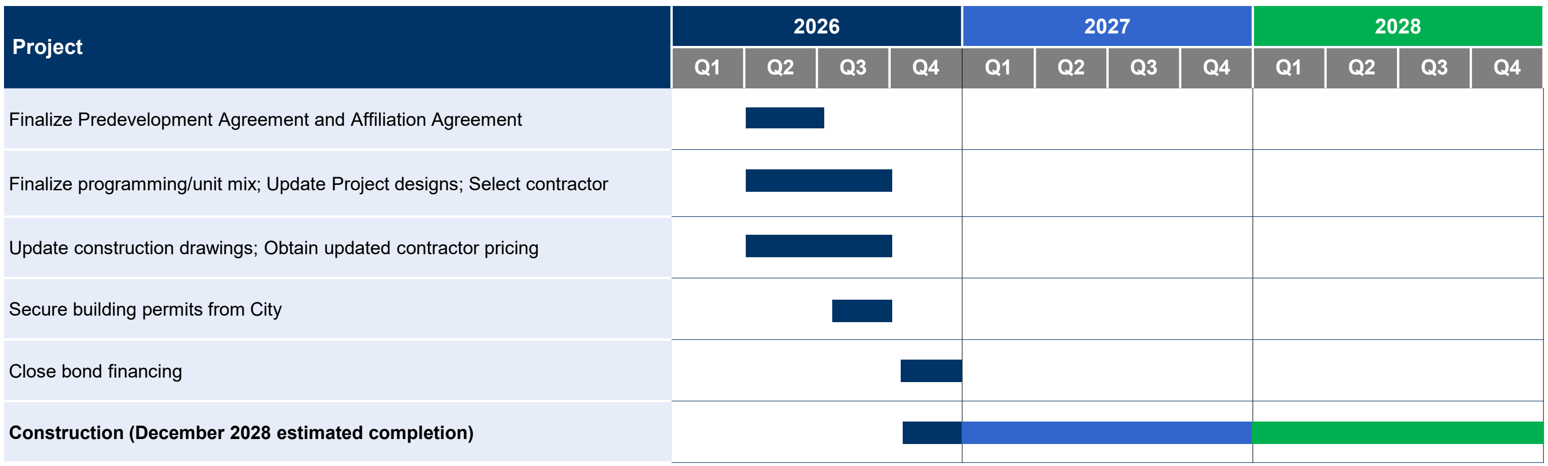
University of Nevada, Reno

Fiscal Year Ending December 31	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033	12/31/2034	12/31/2035	12/31/2036	12/31/2041	12/31/2046	12/31/2051	12/31/2056	12/31/2057	12/31/2058
Operational Pro Forma Cash Flows														
Total Revenue	13,264	14,823	15,654	16,122	16,605	17,104	17,618	18,147	21,036	24,387	28,271	32,774	33,757	34,769
Total Operating Expenses	(8,612)	(9,092)	(9,477)	(9,761)	(10,138)	(10,442)	(10,756)	(11,077)	(12,841)	(14,887)	(17,258)	(20,007)	(20,607)	(21,225)
Departmental Profit	4,652	5,731	6,177	6,361	6,467	6,662	6,862	7,070	8,195	9,500	11,013	12,767	13,150	13,544
Interest Earnings	141	141	141	141	141	141	121	121	121	121	121	121	121	121
CFADS	**4,793**	**5,872**	**6,318**	**6,502**	**6,608**	**6,803**	**6,983**	**7,191**	**8,316**	**9,621**	**11,134**	**12,888**	**13,271**	**13,665**
Senior Bond														
Senior Bond Debt Service	(2,130)	(2,610)	(2,808)	(2,889)	(2,933)	(3,020)	(3,101)	(3,196)	(3,692)	(4,030)	(4,030)	(4,031)	(4,031)	(4,066)
Senior DSCR	**2.25x**	**2.25x**	**2.25x**	**2.25x**	**2.25x**	**2.25x**	**2.25x**	**2.25x**	**2.25x**	**2.39x**	**2.76x**	**3.20x**	**3.29x**	**3.36x**
Cash flow available after Senior Bond DS	**2,663**	**3,262**	**3,510**	**3,613**	**3,675**	**3,784**	**3,883**	**3,995**	**4,624**	**5,590**	**7,104**	**8,857**	**9,240**	**9,600**
Subordinated Expenses														
Asset Management Fee	(225)	(232)	(239)	(246)	(253)	(261)	(269)	(277)	(321)	(372)	(431)	(500)	(515)	(530)
Community Foundation Fee	(105)	(106)	(107)	(109)	(110)	(111)	(113)	(114)	(121)	(121)	(121)	(121)	(125)	(128)
Reserve Replacement	(133)	(296)	(470)	(645)	(830)	(855)	(881)	(907)	(1,052)	(1,219)	(1,414)	(1,639)	(1,688)	(1,738)
LC Fee	(409)	(102)	(102)	(84)	(45)	(7)	-	-	-	-	-	-	-	-
Total Subordinated Expenses	(872)	(736)	(918)	(1,084)	(1,238)	(1,234)	(1,263)	(1,298)	(1,494)	(1,712)	(1,966)	(2,260)	(2,327)	(2,397)
Cash flow available AFTER Total Subordinated Expenses	**1,791**	**2,526**	**2,592**	**2,529**	**2,437**	**2,550**	**2,620**	**2,697**	**3,130**	**3,878**	**5,138**	**6,597**	**6,913**	**7,202**
NSIB Loan														
NSIB Interest	(375)	(375)	(375)	(375)	(375)	(375)	(375)	(375)	(316)	(230)	(125)	(0)	-	-
NSIB Principal	-	-	-	-	-	-	-	-	(429)	(516)	(620)	(0)	-	-
NSIB Loan Debt Service	(375)	(375)	(375)	(375)	(375)	(375)	(375)	(375)	(745)	(745)	(745)	(0)	-	-
NSIB DSCR	**1.42x**	**1.58x**	**1.54x**	**1.50x**	**1.45x**	**1.47x**	**1.47x**	**1.48x**	**1.40x**	**1.48x**	**1.65x**	**2.05x**	**n/a**	**n/a**
Cash flow available AFTER Senior Bond NSIB DS	**1,416**	**2,151**	**2,217**	**2,154**	**2,062**	**2,175**	**2,245**	**2,322**	**2,385**	**3,133**	**4,393**	**6,597**	**6,913**	**7,202**
Ops Reserve/LC Replacement														
(Deposits to) Ops Reserve Fund	(1,416)	(2,151)	(1,313)	(188)	(152)	(157)	(160)	(166)	(193)	(223)	(259)	(300)	(309)	-
Release of Ops Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	10,612
Cash flow available AFTER Operating Reserve	**-**	**-**	**904**	**1,966**	**1,910**	**2,018**	**2,084**	**2,156**	**2,192**	**2,909**	**4,134**	**6,297**	**6,604**	**17,815**
LC Replacement	-	-	(904)	(1,966)	(1,910)	(326)	-	-	-	-	-	-	-	-
Cash flow available AFTER LC Replacement	**-**	**-**	**-**	**-**	**-**	**1,692**	**2,084**	**2,156**	**2,192**	**2,909**	**4,134**	**6,297**	**6,604**	**17,815**

Mathewson Gateway District Hotel

Estimated Project Schedule

The Project is expected to be completed in December 2028, ahead of the Spring Semester of the 2028-29 Academic Year.



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University of Nevada, Reno

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