

# **BOARD OF REGENTS BRIEFING PAPER**

- 1. Agenda Item Title:** University Park Apartments Project – Student Housing Management Proposal  
**Meeting Date:** September 10-11, 2015

## **2. BACKGROUND & POLICY CONTEXT OF ISSUE:**

At the December 4, 2014 meeting of the Investment and Facilities Committee, approval was given to a Memorandum of Understanding (“MOU”) to define the parameters for a public/private partnership between UNLV and the Midby Companies for student housing on the University Park Apartments 14 acre site (the “Project”). At the April 24, 2015 Board of Regents meeting the implementing agreements for this development were approved but the Board required Board approval for the property management firm. This agenda item addresses this item. In order to move forward with the Project, as required by the lease agreements, UNLV is asking the Board to approve the selected final property management company candidate who has the appropriate expertise in managing student housing facilities similar to the Project. The candidate selection process and a description of the 4 finalist project management companies is attached.

## **3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

UNLV President Len Jessup requests approval of Asset Campus Housing (“ACH”), a property management company with appropriate expertise in managing student housing facilities, for the management of the phase 1 redevelopment of the University Park Apartments.

## **4. IMPETUS (WHY NOW?):**

Board approval of the property management company is needed to move forward with the Project and meet the targeted opening date of Fall 2017 for occupancy of the phase 1 redeveloped units. The Midby Company currently has an interim property manager to manage the existing units. With Board approval, ACH will manage both the existing units and the phase 1 redeveloped units upon opening in Fall 2017.

## **5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

- The selected property management company, ACH, meets the Board’s criteria in selecting a property management company with expertise in managing student housing facilities similar to the Project.

## **6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

- None

## **7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

- Do not approve the selected property manager.

## **8. COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Amends Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Amends Current Procedures & Guidelines Manual: Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Other: \_\_\_\_\_
- Fiscal Impact: Yes \_\_\_\_\_ No **X**  
Explain: \_\_\_\_\_

# THE **MIDBY** COMPANIES

## University Park Apartments National Student Housing Management Proposals

The Midby Companies, through its affiliate, University Park, LLC conducted market research and identified eight nationally recognized student housing operators for the management of the phase 1 redevelopment of the University Park Apartments (the Project). Through further detailed internet research/review of the individual companies, initial phone interviews, recommendations obtained by our lender and direct referral, formal management proposals were solicited from the following companies:

- American Campus Communities (ACC)
- Peak Campus Companies (Peak)
- Asset Campus Housing (ACH)
- AVS (The Scion Group)

Upon receipt of the management proposals, each company received a list of detailed questions to answer, were interviewed in person and further analyzed on their ability to provide the following services:

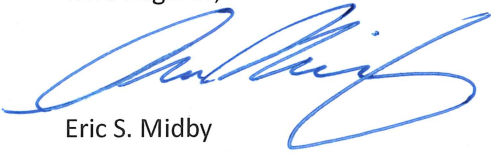
- Finance:
  - Budget preparation & evaluation
  - Financial analysis of the asset operations
  - Governmental reporting compliance
  - Monthly reporting packages
- Marketing:
  - Product branding
  - Marketing & leasing (specifically new product lease up experience)
  - Weekly marketing reports/updates
  - Tenant programs (Smart phone apps, online resident portals to information/maintenance requests, mobile and online leasing)
- Operations:
  - New acquisition experience/lease up
  - Market analysis to identify current and potential market segments, market conditions, competitors and pricing
  - Third party management experience
  - Develop operational guidelines, pricing and leasing structure
  - Develop and coordinate resident programs
  - Daily project specific operational management/maintenance/inspections programs
  - Human resource management
  - Employee training/benefit programs
  - Safety/security

From these four companies, which all met the Board's criteria for selecting a property management company, Asset Campus Housing (ACH) was selected as the final candidate to manage the Project. ACH has experience managing student housing facilities similar to the Project, and has the abilities, qualifications and expertise to create a public perception that will positively reflect the Project and UNLV.

We ask for approval of ACH to manage the phase 1 redevelopment of the Project.

Thank you in advance for your consideration.

Kind Regards,

A handwritten signature in blue ink, appearing to read "Eric S. Midby", is written over the typed name. The signature is fluid and cursive.

Eric S. Midby

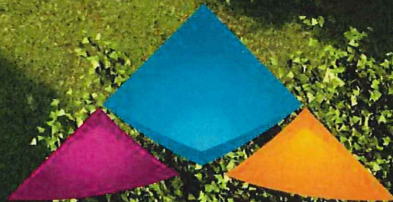
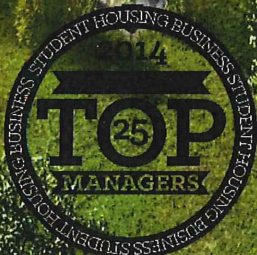
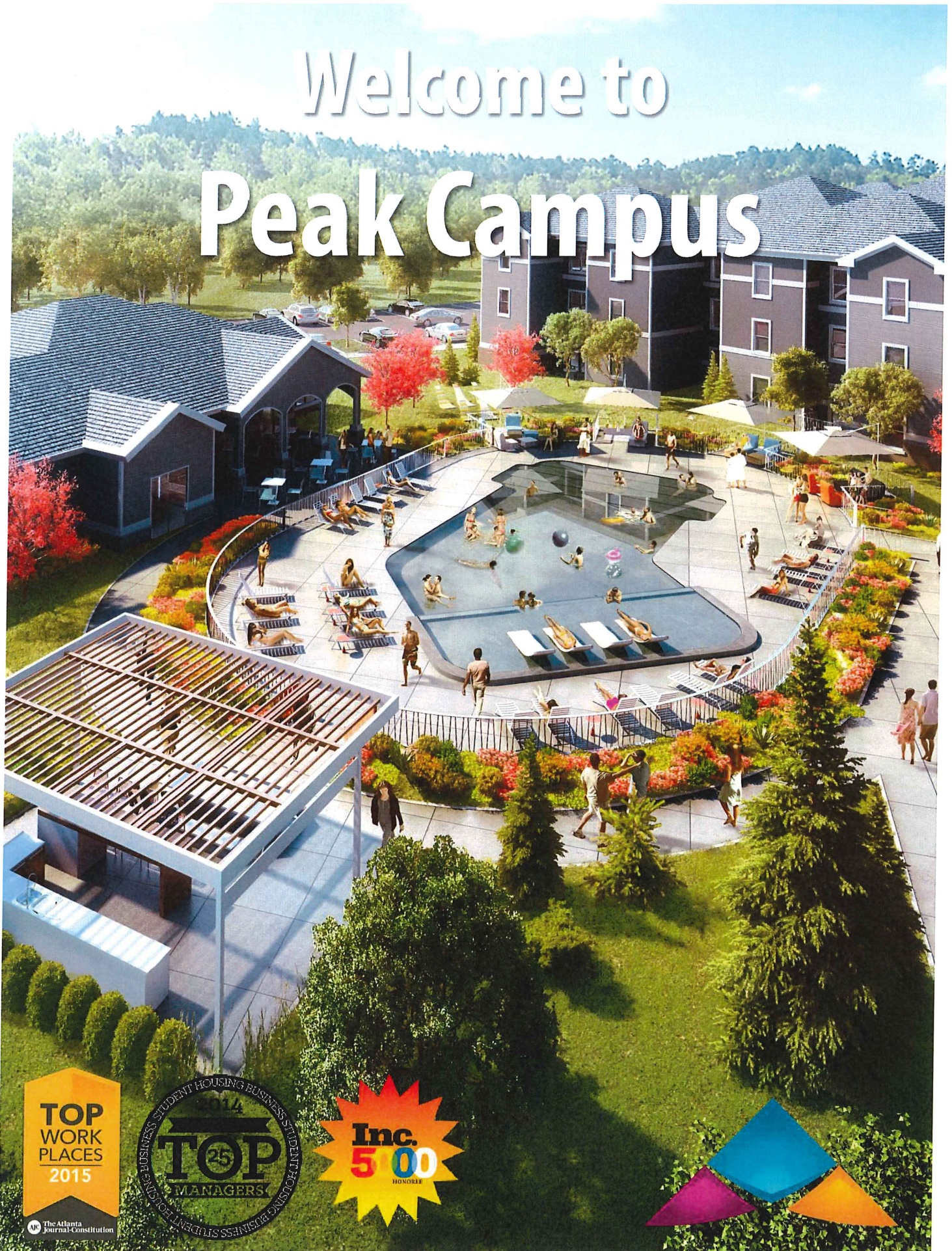
**University Park Apartments  
National Student Housing Management Proposals**

	Peak Campus Companies (Peak)	American Campus Communities (ACC)	Asset Campus Housing (ACH)	AVS (The Scion Group)**
Corporate Headquarters	Atlanta, GA	Austin, TX	Houston, TX	Chicago, IL
Year Established	2011	1993	1986	1999
Company Bio	Attached	Attached	Attached	Not Provided
Student Housing Beds Managed	40,000 +	130,000 +	70,000 +	23,000 +
Number of beds located in the Western United States	9,326	19,354	24,705	1,825
(Number of projects corresponding to total bed count)	17	24	45	1
Provides 3rd Party Management Services	Yes - Only 3rd Party	Yes	Yes	Limited
Portfolio Average Occupancy 2014-2015	96%	98%	97%	98%
New lease-up projects (# of beds) 2011-2014	7,816	8,038	19,599	Not provided
Average occupancy at opening	95.68%	96.46%	95.90%	Not Provided
Average occupancy thereafter	95.53%	99.45%	97.19%	Not provided
Management Fee	*	*	*	*
Lender Review/Approved	Yes	Yes	Yes	Pending
Property Management Software	Onesite/MRI	Proprietary	Proprietary	Onesite

\*The fee structure was also solicited and received . Fees ranged from 3.0% plus a .25% incentive fee to 4% and a 2% incentive fee. Percentages are based on collected residential revenues.

\*\*Information provided relates to The Scion Group - AVS is a joint venture structure specifically created for the management of the on-campus housing at UNLV (established in 2010) - Scion is also under contract to acquire a 900 bed property at Arizona State University for Fall 2015 - thereby increasing their presence in the the western region. After a request for information for this Board meeting and a follow up request AVS confirmed that no additional information would be provided for the items noted as "not provided".

# Welcome to Peak Campus



# COMPANY OVERVIEW

Peak Campus, operating through a group of affiliated companies, is an institutional-grade property management company focused exclusively on the student housing sector, based in Atlanta, Georgia. Since its founding, Peak Campus has continually been amongst the fastest-growing management companies in the country. We have accomplished this due to our proven ability to execute on management strategies consistent with the goals and long-term investment plans of our partners. Our current client list includes long-term relationships with well-respected organizations such as Blue Vista Capital Management, Harrison Street Real Estate Capital, The Opus Group, IRA Capital and Hallmark University Housing, amongst others. Our diverse portfolio includes both on-campus and off-campus affiliated assets. We also have extensive experience in every phase - from ground-up development to full stabilization. We oversee over 200,000 square feet of ground-floor retail space located across several assets in the portfolio. Our comprehensive platform has a proven ability to produce strong rent rolls and market-leading NOI performance.

Peak Campus currently manages 40,767 beds at 76 properties in 60 college markets located in 25 states. As a true third party manager, Peak Campus does not have direct ownership in any assets. As such, our ability to grow our platform is based solely on client satisfaction and the performance of each individual asset. A breakdown of properties we currently manage in the western/southwestern United States and beds per state is provided below.

Arizona: 2 Properties; 832 Beds  
California: 5 Properties; 2,474 Beds  
Texas: 10 Properties; 6,020 Beds



Peak Campus is led by industry veteran Bob Clark. Bob joined Company in 2003 and was named President in 2011. He is responsible for directing all aspects of the Peak Campus operating platform, including oversight of all support departments, corporate finance, and strategic planning, as well as chairing the Executive Committee. Prior to being named President, he served as Executive Vice President of Operations for the Company with oversight of portfolio performance and support. Bob joined the Company as Chief Financial Officer and later served as Chief Acquisitions Officer, where he helped to establish a highly active joint venture investment platform. He is one of the longest-tenured members of the Peak Campus team and, as such, played a critical leadership role in establishing Peak as an industry leader. Prior to joining the Company, he spent his entire career in the hospitality industry, where he served as CFO for Hardin Capital and Vice President of Finance for Homestead Village, where he participated in raising more than \$1 billion and was a key member of the team that led the firm through its IPO. He began his career at the Marriott Corporation where he was instilled with the people-first culture that remains a center point of the Peak operating doctrine. Bob is a frequent speaker panelist at industry events. He is a member of the NMHC Student Housing Committee, a member of the RealShare Student Housing Conference Committee, and Co-Chair of the 2014 and 2015 NMHC Student Housing Conference. He was recognized in 2013 as a Pioneer of Student Housing by Real Estate Forum Magazine. He was also honored in 2014 by the Atlanta Journal-Constitution with its Top Leadership Award. Bob earned his BS in Accounting from Frostburg State University in Maryland.





# AMERICAN CAMPUS COMMUNITIES

At American Campus, we strive to create communities conducive to residents' social fulfillment and academic achievement through student-focused development, operations and residence life approaches.



American Campus has extensive experience developing and managing student housing across the nation. Pictured above is the 1,866-bed Vista del Sol residential community, one of many communities American Campus manages at Arizona State University.



Our mission is to be the premier provider of quality student housing communities and services through a unique understanding of and an unrelenting commitment to students, parents, educational institutions and investors. Our people are our strength, achieving success through a dedication to excellence and integrity.

## OVERVIEW

Our in-depth knowledge of student housing comes from years of hands-on, grass-roots experience, including early roles as resident assistants. Fifteen of our senior-level management staff have spent their entire careers committed to this industry, beginning as student staff members in university housing. This level of dedication gives our team a unique perspective in how to design, develop, construct and manage our student communities.

American Campus is the brand of choice in student housing. Our college and university partners have entrusted us with their projects time and again. More than half of our on-campus communities (43 of 74) have been completed as multi-phase developments where American Campus was re-selected as the Universities' ongoing development partner.

From the knowledge we have gained in our 20-plus years of serving our university partners, we understand that the best communities are created through a collaborative and transparent partnership that is attuned to the University and the needs of its students. In our mission to be the nation's premier provider of quality student communities and services, we strive to exceed expectations. It is how we approach every relationship, every project and every day.

## MANAGEMENT SERVICES

Our experience includes all types of modern communities: residential colleges, live-learn environments, undergraduate and graduate. We pride ourselves on our specialized management systems, commitment to impeccable maintenance and a customer service focus that ensures the long-term success of the project and the achievement of the institution's qualitative and financial objectives.





## EXPERIENCE

### MANAGEMENT EXPERIENCE

American Campus currently manages **202** student communities, totaling more than **129,900** beds.

- **45,200**-plus beds managed in **53** on-campus communities
- **84,700**-plus beds managed in **149** off-campus communities

### DEVELOPMENT EXPERIENCE

American Campus has developed or been awarded the development of **102** privatized student housing facilities, consisting of more than **66,100** beds.

- **49,300**-plus beds in **74** on-campus communities
- **16,700**-plus beds in **28** off-campus communities

## American Campus' Current Projects in Western/Southwestern U.S.

Property	Primary University	City, ST	# of Beds	Location	Managing Since
Health Sciences Student Housing*	University of Southern California	Los Angeles, CA	456	on-campus	12/31/2014
The Suites, Phase II	Northern Arizona University	Flagstaff, AZ	328	on-campus	8/1/2014
Manzanita Hall	Arizona State University	Tempe, AZ	816	on-campus	8/1/2013
Piedra Del Sol	San Diego State University	San Diego, CA	240	on-campus	7/1/2013
922 Place	Arizona State University	Tempe, AZ	468	off-campus	9/17/2012
The Villas at Vista del Sol	Arizona State University	Tempe, AZ	400	on-campus	8/15/2012
Casa de Oro	Arizona State University West	Glendale, AZ	365	on-campus	8/15/2012
University Pointe at College Station	Portland State University	Portland, OR	978	on-campus	8/1/2012
Casas del Rio	University of New Mexico	Albuquerque, NM	1,028	on-campus	8/1/2012
The Suites	Northern Arizona University	Flagstaff, AZ	550	on-campus	8/1/2012
Hilltop Townhomes	Northern Arizona University	Flagstaff, AZ	576	on-campus	8/1/2012
Lobo Village	University of New Mexico	Albuquerque, NM	864	on-campus	8/1/2011
Camino del Sol	University of California, Irvine	Irvine, CA	1,198	on-campus	8/1/2010
Puerta del Sol	University of California, Irvine	Irvine, CA	565	on-campus	8/1/2010
Barrett the Honors College	Arizona State University	Tempe, AZ	1,721	on-campus	8/1/2009
Adelphi Commons I	Arizona State University	Tempe, AZ	331	on-campus	5/1/2009
Adelphi Commons II	Arizona State University	Tempe, AZ	263	on-campus	5/1/2009
Vista del Sol	Arizona State University	Tempe, AZ	1,866	on-campus	8/1/2008
University Towers	San Diego State University	San Diego, CA	570	on-campus	6/1/2008
Hassayampa	Arizona State University	Tempe, AZ	1,950	on-campus	10/1/2007
Vista del Campo Norte	University of California, Irvine	Irvine, CA	1,564	on-campus	8/1/2006
Entrada Real	University of Arizona	Tucson, AZ	363	off-campus	3/1/2006
University Village	California State University, Fresno	Fresno, CA	406	off-campus	8/1/2004
Vista Del Campo	University of California, Irvine	Irvine, CA	1,488	on-campus	8/1/2004
<b>24 Communities</b>	<b>9 universities</b>	<b>4 states</b>	<b>19,354 beds</b>		

\*Project under construction



*Investment. Management. Development.*

# ASSET CAMPUS HOUSING

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## University Park

*Nevada System of Higher Education*



# Company Overview

## *Asset Plus Companies*

Founded in 1986, Asset Plus Companies is a real estate property management company specializing in maximizing value and revenue generation for property owners, developers and investment partners of multifamily and student housing properties. Based in Houston, Texas, Asset Plus Companies has offices and experienced staff in cities across the United States, a strong and diverse portfolio and a comprehensive array of services and resources that enable clients to realize the full potential of the value of their assets.

Today, the company oversees a portfolio of **250+** properties nationwide. Services include property management, asset management, development, acquisitions/dispositions, leasing/marketing, financial analysis, construction supervision, accounting, and REO/Receivership.

Asset Plus believes its people are the company's greatest asset and has assembled a team of over 2,400 employees that is unparalleled in the industry. Dedicated to providing the highest level of customer service and optimum results for each of its clients, Asset Plus Companies' success stems from its cohesive, positive corporate culture. This environment results in custom-tailored business and marketing plans to meet the specific needs of each client. Asset Plus approaches every client, large or small; with the individual attention they deserve and focuses on giving each their best people and solutions.

## *Asset Campus Housing*

Headquartered in Houston, Asset Campus Housing. ("ACH") is an affiliate of Asset Plus Companies. Asset Plus Companies has been active in student housing since its inception in 1986 and went on to form a separate division dedicated solely to student housing in 1998. With **75,000+** student housing beds throughout the United States, Asset Campus Housing presently manages a student housing portfolio of over **145** properties and is the largest, privately owned student housing company in the nation.

**Our Commitment:** Our understanding of college students' lifestyle and needs helps ensure that they are provided with the quality of life that enables them to attain their goals. We build and manage properties that serve our residents' needs as well as their parents, the universities and academic communities.

**Our Philosophy** Asset Campus Housing applies the best people and the best practices to each property we manage. Student housing is our sole focus and our dedicated team is one of the most experienced in this industry. We understand that superior customer service combined with our team's talent maintains our high standards. Asset Campus Housing's history and track record illustrates a level of attention and commitment to clients that is unparalleled.

**Our Leadership** The Asset Campus Housing executive team possesses over 350 years of cumulative experience with the supervision of student housing beds from California to Florida. Our team is 100% dedicated to quality student housing development and operations. Our experience includes marketing, opening, and operating dozens of student housing projects both off and on-campus; including start-ups on a number of commuter campuses with no prior housing tradition.

**New Development:** Asset Campus Housing implements a unique operating structure for new construction projects, exclusive of its industry competitors. The oversight of a lease-up is very different from the oversight of a stabilized asset, so for the first 16 to 18 months, new developments are placed into the New Construction portfolio. A team of experienced individuals, including ACH's SVP of Operations and a corporate Lease-Up Specialist, are assigned throughout the lease-up phase.

# Student Housing Exposure – Southwestern Region

Property	City	State	University	Beds	Units
Domain at Tempe	Tempe	AR	Arizona State University	959	299
Grand Marc at University Village	Riverside	CA	University of California - Riverside	760	212
Foundation	Sacramento	CA	California State University - Sacramento	616	213
The Glen at SB	San Bernardino	CA	California State University - San Bernardino	520	104
Zuma	San Diego	CA	San Diego State University	94	24
The District at Campus West	Fort Collins	CO	Colorado State University	658	189
University Greens	Norman	OK	University of Oklahoma	516	156
Varsity House	Norman	OK	University of Oklahoma	600	224
Edge at East End	Austin	TX	University of Texas, St. Edwards University	810	270
Ion at East End	Austin	TX	University of Texas, St. Edwards University	792	288
Zone at East End	Austin	TX	University of Texas, St. Edwards University	684	252
Ballpark	Austin	TX	University of Texas, St. Edwards University	768	283
Duval Villa	Austin	TX	University of Texas, St. Edwards University	112	112
Pointe on Rio	Austin	TX	University of Texas, St. Edwards University	321	122
Townlake	Austin	TX	University of Texas, St. Edwards University	648	216
Hillstone on the Parkway	Bryan	TX	Texas A&M University	120	60
College Edge	College Station	TX	Texas A&M University	400	160
Campus Village	College Station	TX	Texas A&M University	1071	355
Z Islander	College Station	TX	Texas A&M University	864	380
The Rise at Northgate	College Station	TX	Texas A&M University	474	174
Laurel Ridge	College Station	TX	Texas A&M University	368	284
University Square	College Station	TX	Texas A&M University	192	142
Domain at Northgate	College Station	TX	Texas A&M University	344	102

Cambridge at College Station	College Station	TX	Texas A&M University	530	196
The Reserve at College Station	College Station	TX	Texas A&M University	476	119
Gateway at Denton	Denton	TX	University of North Texas, Texas Women's University	696	230
The Ridge at North Texas	Denton	TX	University of North Texas, Texas Women's University	876	288
Brook Place	Huntsville	TX	Sam Houston State University	532	138
Montgomery Village	Huntsville	TX	Sam Houston State University	192	48
Legends at Kingsville	Kingsville	TX	Texas A&M University - Kingsville	504	
Gateway at Lubbock	Lubbock	TX	Texas Tech University	744	264
University Fountains	Lubbock	TX	Texas Tech University	683	228
Lofts Nacogdoches	Nacogdoches	TX	Stephen F. Austin State University	310	122
Legends at Nacogdoches	Nacogdoches	TX	Stephen F. Austin State University	549	204
The Estates at San Antonio	San Antonio	TX	University of Texas - San Antonio	288	104
University Springs	San Marcos	TX	Texas State University	488	152
The Village on Telluride Phase I	San Marcos	TX	Texas State University	608	213
University Heights	San Marcos	TX	Texas State University	816	288
Cabana Beach	San Marcos	TX	Texas State University	744	276
The Village On Telluride Phase II	San Marcos	TX	Texas State University	508	172
Villagio	San Marcos	TX	Texas State University	492	180
Mustang Ranch	Stephenville	TX	Tarleton State University	501	198
Domain at Waco	Waco	TX	Baylor University	564	186
The Outpost	Waco	TX	Baylor University	543	195
Abbey Glen	Waco	TX	Baylor University	370	170