



P3  
INFRASTRUCTURE  
REAL ESTATE ADVISORY

# P3 DONE RIGHT

ALVAREZ & MARSAL



# A&M offers a full range of real estate and project delivery services, providing customized solutions that address your unique fiscal and operational needs.

## OUR SERVICES

### PROJECT DELIVERY

- Real Estate
- Valuation / Highest and Best Use Analyses
- Public / Private Partnerships Structuring and Negotiations
- Value for Money / Whole Life Cycle Cost Analyses
- Financial Pro Forma Model and Cash Flow Analyses
- Solicitation Development and Evaluations
- Transaction Negotiations and Closings

### STRATEGY

- School Facilities Expansion and Privatization
- Feasibility Studies and Business Case Development
- Strategic Portfolio Planning
- Economic Development
- Site Selection Advisory
- Alternative Delivery
- Financing Options for Capital Improvement Projects

### OPERATIONS

- Portfolio and Asset Management
- Real Estate Restructuring and Dispute Resolution
- Program and Project Management
- Forensic Accounting and Investigation
- Cash Flow Impact Analysis

## ASSET CLASSES

- Higher Ed Facilities
- Student Housing
- Public Buildings
- Mixed-use
- Hotel
- Residential
- Parking
- Retail
- Office
- Industrial / Flex
- Military Installations
- Surface Transportation
- Justice Facilities

# 130+

**PUBLIC SECTOR REAL ESTATE ENGAGEMENTS**

## PUBLIC SECTOR REAL ESTATE EXPERIENCE

A&M has completed over 130 public sector real estate engagements in 35 states and U.S. territories. With offices located across the country, our professionals have served public and institutional clients throughout the lifecycle of their real estate and infrastructure projects.

# A&M designs integrated portfolio strategies to capture value in underutilized assets.

## TODAY'S CHALLENGES

Public entities and institutions face a unique set of challenges in providing state of the art facilities to meet their mission requirements. Capital and operating budget limitations often inhibit adequate maintenance, renovation and expansion of needed facilities, eventually hindering core business operations. Certain alternative delivery methods, including P3 structures, may help institutions achieve mission success by generating new revenue, eliminating deferred maintenance, and delivering services more efficiently. In addition, institutions may have underutilized assets which can be leveraged to fund facility improvements.

# 70+

P3 FEASIBILITY STUDIES

# 30+

P3 DEVELOPER SOLICITATIONS AND SELECTIONS

## THE A&M ADVANTAGE

Unlike other real estate advisers, A&M's operational heritage fuels our distinct "speed to execution" approach. We believe that swiftly implementing an action plan most effectively increases asset performance and minimizes risk. Furthermore, we apply two decades of company restructuring approaches to achieve optimal results and unlock value for public entities. A&M provides independent advisory services, not tied to the value or execution of a transaction, enabling us to provide impartial and independent recommendations that benefit our public sector clients. Our interests are always aligned with the economic and policy objectives of our clients.

## A&M'S PROFESSIONALS AND EXPERIENCE

A&M professionals possess a unique blend of public and private sector commercial real estate experience. Our professionals have worked in federal, state and local government agencies, and are familiar with the public sector and institutions from the inside out. We possess a deep understanding of the institutional operating environment and the constraints that mission-oriented clients encounter. After 130+ results-driven engagements with public sector and higher education clients, our dedicated team is well-equipped to identify issues and structure the right solutions for your needs.

# 50+

STUDENT HOUSING MARKET STUDIES



PROJECT TYPE	ASSET CLASS / USES	PROJECT SUMMARY AND RESULTS
Student Housing Renewal	Student Housing	<p>A private university sought to renovate its largest student housing asset, (totaling 1,780 beds) which suffered from significant deferred maintenance and negatively impacted student retention.</p> <p>A&amp;M defined the project scope and transaction strategy, led private solicitation process to select a development partner and identified a concession agreement as the optimal financing structure. This delivery mechanism generated the highest upfront value and annual operating revenue to the university, while also allowing the university to retain ownership throughout the 40 year agreement period.</p> <p>Through A&amp;M's negotiation tactics, the project generated over \$140 million in off-balance sheet, non-recourse debt to fund the substantial renovation cost as well as upfront payment to the university. The institution is free from deferred maintenance costs and has increased student quality of life, attraction and retention.</p>
Master Planned Development / Historic Preservation	Academic – Divinity School, Staff / Faculty Housing, Market Rate Housing	<p>A private university with valuable assets and limited financial resources sought a master plan development of a 23-acre campus, with a mix of institutional and commercial uses.</p> <p>A&amp;M defined the project scope and timeline, and produced solicitation documents for the campus, which was once home to the university's divinity school and is one of the few remaining greenfields available for development in the city. The project will return academic functions to newly renovated historic buildings on the campus, creating a live-learn community with a mix of market rate, staff/faculty and senior housing.</p>
	Academic – Health Sciences Building, Hospital, Staff / Faculty Housing, Market Rate Housing, Retail, Office	<p>A higher education institution with limited capital resources sought to update its health sciences and hospital facilities, currently located on a highly valuable urban site.</p> <p>A&amp;M considered monetization of the current site and total relocation of the facilities to an underdeveloped part of the city, creating a live-learn-care community through master development including staff/faculty housing, retail and office space. A&amp;M conducted financial feasibility analyses by exploring alternative financing structures and tax incentives and creating cost estimation models for the new site.</p>
Student Housing Renewal and Construction	Graduate Student Housing	<p>A&amp;M was engaged by a private college to develop a P3 framework for the college to address critical facilities needs and opportunities, including a shortage of graduate student housing and a portfolio of underutilized land assets.</p> <p>Initially, we helped to design a P3 program to alternatively finance, deliver and operate real estate assets. After prioritizing projects based on mission alignment and ease of execution, we launched an 800-bed graduate student housing project.</p> <p>Our team assessed the project's financial feasibility and is currently guiding the college through a streamlined partner selection process. After supporting developer selection, we will advise on the transaction negotiation.</p> <p>The college's primary goal is to create affordable and high quality housing options for its graduate student population, while preserving its debt capacity to address other critical capital requirements.</p>
Urban Infill Mixed Use	Hotel, Health and Wellness Center, Multi-Family	<p>An urban university seeks to revitalize a major commercial corridor at the edge of its campus to improve vitality and visual quality, replace an outmoded health and wellness center and consolidate administrative office space, while supporting student recruitment and retention.</p> <p>A&amp;M is currently advising on financing and delivery strategy, partner selection and negotiation of three projects to construct an estimated 1.4 million square feet of urban infill, mixed use development. Serving as a gateway to campus, the projects will feature a state of the art health and wellness facility, administrative offices, a hotel, curated ground floor retail, preservation of historic façades and a mix of market rate and affordable housing. Delivered under long term ground leases, the university will contribute the value of its land in exchange for upfront proceeds as well as construction of the institutional uses. It will then retain ownership over those uses through a condominium structure.</p>



# A&M structures public-private partnerships (P3) to attract industry expertise and private capital with transparency and public accountability.

## OUR REPRESENTATIVE CLIENTS

### HIGHER EDUCATION

- Howard University
- Dartmouth College
- California State University System
- Dormitory Authority of the State of New York
- Morehouse College
- San Juan Community College

### STATE GOVERNMENT

- State of Louisiana
- Pennsylvania Department of Transportation
- State of Kansas
- Virginia Office of Public-Private Partnerships
- Texas Facilities Commission
- Empire State Development Corporation

### LOCAL GOVERNMENT

- Travis County, Texas
- Fairfax County, Virginia
- New York City Economic Development Corporation
- Grand Forks County, North Dakota
- District of Columbia
- City of Falls Church, Virginia
- City of 29 Palms, California

### FEDERAL GOVERNMENT

- Office of the Secretary of Defense
- U.S. Department of the Army
- U.S. Department of the Navy
- U.S. Department of the Air Force
- Federal Bureau of Investigations

PORTFOLIO MANAGEMENT OF

# 205,000+

PRIVATIZED HOUSING UNITS

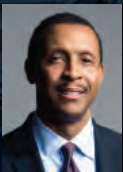


# A&M Approach



## SUPPORTED BY A&M'S PROGRAM MANAGEMENT OFFICE

- Program Oversight and Monitoring
- Stakeholder Management
- Budget Development
- Communication with Executive Board
- QC and Schedule Management
- Risk Management



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