



Provident Resources Group Inc.

EXECUTIVE OFFICES

5565 Bankers Avenue
Baton Rouge, LA 70808
Phone: 225.766.3977
www.provident.org

**Louisiana Public Facilities Authority
Senior Lien Revenue Bonds, Series 2020A-1
Subordinate Lien Revenue Bonds, Series 2020A-2
Senior Lien Taxable Revenue Bonds, Series 2020B
(Provident Group – HSC Properties Inc. – LSU Health Foundation, New Orleans Project)**

April 5, 2022

Digital Assurance Certification (DAC)
315 E. Robinson Street, Suite 300
Orlando, FL 32801
Attention: Diana O'Brien

As Dissemination Agent, please post the following to EMMA.

As the market is aware, the COVID pandemic and related supply chain challenges around the world have impacted nearly every sector of the economy, and student housing is not immune. The LSU Health Foundation, New Orleans Project, originally scheduled to open for Fall 2022 is, because of these disruptions, now scheduled for a Spring 2023 opening.

Given this delay, Provident Group – HSC Properties Inc. felt it necessary to revise the Cash Flow Projections for the Project. In the interest of ensuring our bondholders are fully informed of the status of the Project, we have provided herein these updated Cash Flow Projections for your review.

We greatly appreciate your continued interest in the Project, and we look forward to working with our partners, as well as the bondholder community, as this exciting Project is completed.

Sincerely,

Christopher Hicks, President
Provident Resources Group Inc.
Sole Member of the Owner/Borrower

Louisiana Public Facilities Authority
Revenue Bonds
Provident Group – HSC Properties Inc.
LSU Health Sciences Center New Orleans Project

Cash Flow Projections - UPDATED

Fiscal Year Ending December 31,	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Gross Annual Rental Revenue	\$9,138,812	\$9,412,976	\$9,695,366	\$9,986,227	\$10,285,814	\$10,594,388	\$10,912,220	\$11,239,586	\$11,576,774	\$11,924,077
LESS: Vacancies	(1,500,331)	(470,649)	(484,768)	(499,311)	(514,291)	(529,719)	(545,611)	(561,979)	(578,839)	(596,204)
Net Annual Rental Revenue	7,638,481	8,942,328	9,210,597	9,486,915	9,771,523	10,064,669	10,366,609	10,677,607	10,997,935	11,327,873
Other Income	38,192	44,712	46,053	47,435	48,858	50,323	51,833	53,388	54,990	56,639
Interest Earnings ⁽¹⁾	22,399	23,777	23,919	24,598	24,915	24,907	24,906	24,910	24,907	24,916
Total Revenues	\$7,699,073	\$9,010,816	\$9,280,570	\$9,558,948	\$9,845,296	\$10,139,899	\$10,443,348	\$10,755,905	\$11,077,831	\$11,409,429
Administration	\$75,478	\$77,742	\$80,074	\$82,476	\$84,951	\$87,499	\$90,124	\$92,828	\$95,613	\$98,481
Leasing & Marketing	62,572	64,449	66,383	68,374	70,425	72,538	74,714	76,956	79,264	81,642
Employee Expenses	589,064	606,736	624,938	643,686	662,997	682,887	703,373	724,474	746,209	768,595
Repairs & Maintenance	90,573	93,290	96,089	98,972	101,941	104,999	108,149	111,393	114,735	118,177
Grounds & Landscape Expense	31,286	32,225	33,191	34,187	35,213	36,269	37,357	38,478	39,632	40,821
Common Area Expense	93,858	96,674	99,574	102,561	105,638	108,807	112,071	115,434	118,897	122,464
Turnover Expense	114,726	118,168	121,713	125,364	129,125	132,999	136,989	141,098	145,331	149,691
Utility Expense	619,376	637,957	657,096	676,809	697,113	718,026	739,567	761,754	784,607	808,145
Cable & Internet	234,933	241,981	249,241	256,718	264,419	272,352	280,522	288,938	297,606	306,534
Insurance	280,635	289,054	297,725	306,657	315,857	325,332	335,092	345,145	355,499	366,164
Senior Management Fee	134,342	157,273	161,991	166,851	171,857	177,012	182,323	187,792	193,426	199,229
Senior Borrower Fee	100,454	103,468	106,572	109,769	113,062	116,454	119,947	123,546	127,252	131,070
Borrower and Trustee Expenses	66,075	68,057	70,098	72,201	74,367	76,598	78,896	81,263	83,701	86,212
Total Operating Expenses	\$2,493,371	\$2,587,073	\$2,664,685	\$2,744,626	\$2,826,964	\$2,911,773	\$2,999,126	\$3,089,100	\$3,181,773	\$3,277,226
Net Operating Income	\$5,205,703	\$6,423,744	\$6,615,885	\$6,814,323	\$7,018,331	\$7,228,126	\$7,444,221	\$7,666,805	\$7,896,058	\$8,132,202
Senior Loan Payments	3,887,001	4,240,365	4,240,365	4,535,365	4,674,140	4,814,390	4,955,565	5,102,428	5,254,753	5,401,059
Fixed Charges Coverage Ratio	1.34	1.51	1.56	1.50	1.50	1.50	1.50	1.50	1.50	1.51
Break-Even Occupancy	69.15%	71.80%	70.50%	72.18%	72.21%	72.22%	72.19%	72.18%	72.18%	72.10%
Minimum Occupancy for 1.20x Coverage	77.66%	80.81%	79.25%	81.26%	81.30%	81.31%	81.28%	81.26%	81.26%	81.15%
Subordinate Loan Interest Payment	1,283,333	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Combined Fixed Charges Coverage Ratio	1.01	1.14	1.17	1.15	1.16	1.16	1.17	1.18	1.19	1.20
Deposit to Repair & Replacement Fund	35,368	444,708	250,893	258,420	266,172	274,157	282,382	290,854	299,579	308,566
Net Surplus Cash Flow	\$0	\$338,671	\$724,627	\$620,538	\$678,019	\$739,579	\$806,274	\$873,524	\$941,726	\$1,022,577
Surplus Fund Transfers										
Deferred Development Fee	0	338,671	724,627	281,330	0	0	0	0	0	0
Subordinated Management Fee	0	0	0	339,208	453,106	177,012	182,323	187,792	193,426	199,229
Subordinated Borrower Fee	0	0	0	0	177,775	38,818	39,982	41,182	42,417	43,690
Base Ground Lease Payment	0	0	0	0	47,138	523,749	583,969	644,549	705,883	494,712
Surplus Reserve Deposit	0	0	0	0	0	0	0	0	0	284,946
Net Funds Available for Add'l Sub. Loan Pmt.	0	0	0	0	0	0	0	0	0	0
Subordinate Loan Principal Payment	0	0	0	0	0	0	0	0	0	0
Additional Ground Lease Payment	0	0	0	0	0	0	0	0	0	0
Net Surplus Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$284,946

(1) Assumed at 0.30% per year on the DSRF and Surplus Fund.

Louisiana Public Facilities Authority
Revenue Bonds
Provident Group – HSC Properties Inc.
LSU Health Sciences Center New Orleans Project

Cash Flow Projections - UPDATED

Fiscal Year Ending December 31,	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Gross Annual Rental Revenue	\$12,281,799	\$12,650,253	\$13,029,761	\$13,420,654	\$13,823,273	\$14,237,972	\$14,665,111	\$15,105,064	\$15,558,216	\$16,024,962
LESS: Vacancies	(614,090)	(632,513)	(651,488)	(671,033)	(691,164)	(711,899)	(733,256)	(755,253)	(777,911)	(801,248)
Net Annual Rental Revenue	11,667,709	12,017,741	12,378,273	12,749,621	13,132,110	13,526,073	13,931,855	14,349,811	14,780,305	15,223,714
Other Income	58,339	60,089	61,891	63,748	65,661	67,630	69,659	71,749	73,902	76,119
Interest Earnings ⁽¹⁾	24,905	24,918	24,909	24,913	24,913	24,914	24,914	24,906	24,906	24,904
Total Revenues	\$11,750,953	\$12,102,747	\$12,465,073	\$12,838,282	\$13,222,683	\$13,618,617	\$14,026,429	\$14,446,466	\$14,879,113	\$15,324,737
Administration	\$101,436	\$104,479	\$107,613	\$110,841	\$114,167	\$117,592	\$121,119	\$124,753	\$128,496	\$132,350
Leasing & Marketing	84,092	86,614	89,213	91,889	94,646	97,485	100,410	103,422	106,525	109,721
Employee Expenses	791,653	815,402	839,864	865,060	891,012	917,742	945,275	973,633	1,002,842	1,032,927
Repairs & Maintenance	121,723	125,374	129,136	133,010	137,000	141,110	145,343	149,704	154,195	158,820
Grounds & Landscape Expense	42,046	43,307	44,606	45,945	47,323	48,743	50,205	51,711	53,262	54,860
Common Area Expense	126,137	129,922	133,819	137,834	141,969	146,228	150,615	155,133	159,787	164,581
Turnover Expense	154,182	158,807	163,572	168,479	173,533	178,739	184,101	189,624	195,313	201,173
Utility Expense	832,389	857,361	883,082	909,574	936,862	964,968	993,917	1,023,734	1,054,446	1,086,079
Cable & Internet	315,730	325,202	334,958	345,007	355,357	366,018	376,999	388,309	399,958	411,957
Insurance	377,149	388,464	400,118	412,121	424,485	437,219	450,336	463,846	477,761	492,094
Senior Management Fee	205,206	211,362	217,703	224,234	230,961	237,890	245,027	252,377	259,949	267,747
Senior Borrower Fee	135,002	139,052	143,223	147,520	151,946	156,504	161,199	166,035	171,016	176,147
Borrower and Trustee Expenses	88,799	91,463	94,206	97,033	99,944	102,942	106,030	109,211	112,487	115,862
Total Operating Expenses	\$3,375,543	\$3,476,810	\$3,581,114	\$3,688,547	\$3,799,204	\$3,913,180	\$4,030,575	\$4,151,492	\$4,276,037	\$4,404,318
Net Operating Income	\$8,375,409	\$8,625,938	\$8,883,959	\$9,149,735	\$9,423,480	\$9,705,438	\$9,995,854	\$10,294,973	\$10,603,075	\$10,920,419
Senior Loan Payments	5,401,078	5,397,065	5,399,021	5,401,409	5,398,959	5,396,671	5,399,278	5,396,240	5,399,915	5,396,990
Fixed Charges Coverage Ratio	1.55	1.60	1.65	1.69	1.75	1.80	1.85	1.91	1.96	2.02
Break-Even Occupancy	70.78%	69.48%	68.25%	67.07%	65.89%	64.74%	63.66%	62.57%	61.56%	60.53%
Minimum Occupancy for 1.20x Coverage	79.58%	78.01%	76.54%	75.12%	73.70%	72.32%	71.02%	69.71%	68.50%	67.27%
Subordinate Loan Interest Payment	1,400,000	1,400,000	1,369,550	1,284,850	1,176,700	1,043,350	881,650	690,200	465,500	205,100
Combined Fixed Charges Coverage Ratio	1.23	1.27	1.31	1.37	1.43	1.51	1.59	1.69	1.81	1.95
Deposit to Repair & Replacement Fund	317,823	327,358	337,179	347,294	357,713	368,445	379,498	390,883	402,609	414,688
Net Surplus Cash Flow	\$1,256,508	\$1,501,515	\$1,778,209	\$2,116,182	\$2,490,108	\$2,896,972	\$3,335,428	\$3,817,651	\$4,335,051	\$4,903,641
Surplus Fund Transfers										
Deferred Development Fee	0	0	0	0	0	0	0	0	0	0
Subordinated Management Fee	205,206	211,362	217,703	224,234	230,961	237,890	245,027	252,377	259,949	267,747
Subordinated Borrower Fee	45,001	46,351	47,741	49,173	50,649	52,168	53,733	55,345	57,005	58,716
Base Ground Lease Payment	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Surplus Reserve Deposit	706,302	508,752	0	0	0	0	0	0	0	0
Net Funds Available for Add'l Sub. Loan Pmt.	0	435,050	1,212,815	1,545,590	1,909,088	2,311,002	2,737,670	3,212,599	3,720,696	4,277,874
Subordinate Loan Principal Payment	0	435,000	1,210,000	1,545,000	1,905,000	2,310,000	2,735,000	3,210,000	3,720,000	2,930,000
Additional Ground Lease Payment	0	0	0	0	0	0	0	0	0	1,347,874
Net Surplus Fund Balance	\$991,248	\$1,500,050	\$1,502,815	\$1,500,590	\$1,504,088	\$1,501,002	\$1,502,670	\$1,502,599	\$1,500,696	\$1,500,000

(1) Assumed at 0.30% per year on the DSRF and Surplus Fund.

Louisiana Public Facilities Authority
Revenue Bonds
Provident Group – HSC Properties Inc.
LSU Health Sciences Center New Orleans Project

Cash Flow Projections - UPDATED

Fiscal Year Ending December 31,	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Gross Annual Rental Revenue	\$16,505,711	\$17,000,883	\$17,510,909	\$18,036,236	\$18,577,323	\$19,134,643	\$19,708,682	\$20,299,943	\$20,908,941	\$21,536,209
LESS: Vacancies	(825,286)	(850,044)	(875,545)	(901,812)	(928,866)	(956,732)	(985,434)	(1,014,997)	(1,045,447)	(1,076,810)
Net Annual Rental Revenue	15,680,426	16,150,838	16,635,364	17,134,425	17,648,457	18,177,911	18,723,248	19,284,946	19,863,494	20,459,399
Other Income	78,402	80,754	83,177	85,672	88,242	90,890	93,616	96,425	99,317	102,297
Interest Earnings ⁽¹⁾	24,904	24,904	24,904	24,904	24,904	24,904	24,904	24,904	24,904	24,904
Total Revenues	\$15,783,732	\$16,256,497	\$16,743,445	\$17,245,001	\$17,761,604	\$18,293,705	\$18,841,769	\$19,406,275	\$19,987,716	\$20,586,600
Administration	\$136,321	\$140,411	\$144,623	\$148,962	\$153,430	\$158,033	\$162,774	\$167,657	\$172,687	\$177,868
Leasing & Marketing	113,012	116,402	119,895	123,491	127,196	131,012	134,942	138,991	143,160	147,455
Employee Expenses	1,063,915	1,095,832	1,128,707	1,162,569	1,197,446	1,233,369	1,270,370	1,308,481	1,347,736	1,388,168
Repairs & Maintenance	163,585	168,493	173,547	178,754	184,116	189,640	195,329	201,189	207,225	213,441
Grounds & Landscape Expense	56,506	58,201	59,947	61,746	63,598	65,506	67,471	69,495	71,580	73,728
Common Area Expense	169,518	174,604	179,842	185,237	190,794	196,518	202,414	208,486	214,741	221,183
Turnover Expense	207,208	213,424	219,827	226,421	233,214	240,211	247,417	254,839	262,485	270,359
Utility Expense	1,118,662	1,152,222	1,186,788	1,222,392	1,259,064	1,296,836	1,335,741	1,375,813	1,417,087	1,459,600
Cable & Internet	424,315	437,045	450,156	463,661	477,571	491,898	506,655	521,854	537,510	553,635
Insurance	506,857	522,063	537,725	553,856	570,472	587,586	605,214	623,370	642,071	661,334
Senior Management Fee	275,779	284,053	292,574	301,352	310,392	319,704	329,295	339,174	349,349	359,830
Senior Borrower Fee	181,431	186,874	192,480	198,255	204,202	210,328	216,638	223,137	229,831	236,726
Borrower and Trustee Expenses	119,338	122,918	126,606	130,404	134,316	138,345	142,496	146,771	151,174	155,709
Total Operating Expenses	\$4,536,448	\$4,672,541	\$4,812,718	\$4,957,099	\$5,105,812	\$5,258,986	\$5,416,756	\$5,579,259	\$5,746,636	\$5,919,036
Net Operating Income	\$11,247,284	\$11,583,956	\$11,930,727	\$12,287,902	\$12,655,792	\$13,034,718	\$13,425,013	\$13,827,016	\$14,241,079	\$14,667,565
Senior Loan Payments	5,397,465	5,400,790	5,396,415	5,399,340	5,398,740	5,399,340	5,400,590	5,396,940	5,397,575	5,398,775
Fixed Charges Coverage Ratio	2.08	2.14	2.21	2.28	2.34	2.41	2.49	2.56	2.64	2.72
Break-Even Occupancy	59.56%	58.63%	57.68%	56.81%	55.94%	55.10%	54.28%	53.47%	52.70%	51.96%
Minimum Occupancy for 1.20x Coverage	66.10%	64.98%	63.85%	62.79%	61.75%	60.74%	59.77%	58.79%	57.87%	56.98%
Subordinate Loan Interest Payment	0	0	0	0	0	0	0	0	0	0
Combined Fixed Charges Coverage Ratio	2.08	2.14	2.21	2.28	2.34	2.41	2.49	2.56	2.64	2.72
Deposit to Repair & Replacement Fund	427,128	439,942	453,140	466,735	480,737	495,159	510,013	525,314	541,073	557,305
Net Surplus Cash Flow	\$5,422,691	\$5,743,224	\$6,081,172	\$6,421,827	\$6,776,315	\$7,140,220	\$7,514,409	\$7,904,762	\$8,302,431	\$8,711,484
Surplus Fund Transfers										
Deferred Development Fee	0	0	0	0	0	0	0	0	0	0
Subordinated Management Fee	275,779	284,053	292,574	301,352	310,392	319,704	329,295	339,174	349,349	359,830
Subordinated Borrower Fee	60,477	62,291	64,160	66,085	68,067	70,109	72,213	74,379	76,610	78,909
Base Ground Lease Payment	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Surplus Reserve Deposit	0	0	0	0	0	0	0	0	0	0
Net Funds Available for Add'l Sub. Loan Pmt.	4,786,434	5,096,879	5,424,437	5,754,391	6,097,856	6,450,406	6,812,902	7,191,209	7,576,471	7,972,746
Subordinate Loan Principal Payment	0	0	0	0	0	0	0	0	0	0
Additional Ground Lease Payment	4,786,434	5,096,879	5,424,437	5,754,391	6,097,856	6,450,406	6,812,902	7,191,209	7,576,471	7,972,746
Net Surplus Fund Balance	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000

(1) Assumed at 0.30% per year on the DSRF and Surplus Fund.

Louisiana Public Facilities Authority
Revenue Bonds
Provident Group – HSC Properties Inc.
LSU Health Sciences Center New Orleans Project

Cash Flow Projections - UPDATED

Fiscal Year Ending December 31,	2053	2054	2055	2056
Gross Annual Rental Revenue	\$22,182,296	\$22,847,765	\$23,533,198	\$24,239,193
LESS: Vacancies	(1,109,115)	(1,142,388)	(1,176,660)	(1,211,960)
Net Annual Rental Revenue	21,073,181	21,705,376	22,356,538	23,027,234
Other Income	105,366	108,527	111,783	115,136
Interest Earnings ⁽¹⁾	24,904	24,904	24,904	6,826,313
Total Revenues	\$21,203,451	\$21,838,807	\$22,493,225	\$29,968,683
Administration	\$183,204	\$188,700	\$194,361	\$200,192
Leasing & Marketing	151,879	156,435	161,128	165,962
Employee Expenses	1,429,813	1,472,707	1,516,888	1,562,395
Repairs & Maintenance	219,845	226,440	233,233	240,230
Grounds & Landscape Expense	75,939	78,218	80,564	82,981
Common Area Expense	227,818	234,653	241,692	248,943
Turnover Expense	278,470	286,824	295,429	304,292
Utility Expense	1,503,388	1,548,490	1,594,944	1,642,793
Cable & Internet	570,244	587,352	604,972	623,121
Insurance	681,174	701,609	722,657	744,337
Senior Management Fee	370,625	381,743	393,196	404,991
Senior Borrower Fee	243,828	251,143	258,677	266,438
Borrower and Trustee Expenses	160,380	165,192	170,147	175,252
Total Operating Expenses	\$6,096,607	\$6,279,505	\$6,467,890	\$6,661,927
Net Operating Income	\$15,106,844	\$15,559,303	\$16,025,335	\$23,306,756
Senior Loan Payments	5,400,030	5,400,830	5,400,665	10,799,025
Fixed Charges Coverage Ratio	2.80	2.88	2.97	2.16
Break-Even Occupancy	51.24%	50.54%	49.85%	43.40%
Minimum Occupancy for 1.20x Coverage	56.11%	55.27%	54.44%	52.31%
Subordinate Loan Interest Payment	0	0	0	0
Combined Fixed Charges Coverage Ratio	2.80	2.88	2.97	2.16
Deposit to Repair & Replacement Fund	574,025	591,245	608,983	627,252
Net Surplus Cash Flow	\$9,132,790	\$9,567,227	\$10,015,687	\$11,880,479
Surplus Fund Transfers				
Deferred Development Fee	0	0	0	0
Subordinated Management Fee	370,625	381,743	393,196	404,991
Subordinated Borrower Fee	81,276	83,714	86,226	88,813
Base Ground Lease Payment	300,000	300,000	300,000	300,000
Surplus Reserve Deposit	0	0	0	0
Net Funds Available for Add'l Sub. Loan Pmt.	8,380,889	8,801,770	9,236,266	11,086,675
Subordinate Loan Principal Payment	0	0	0	0
Additional Ground Lease Payment	8,380,889	8,801,770	9,236,266	12,586,675
Net Surplus Fund Balance	\$1,500,000	\$1,500,000	\$1,500,000	\$0

(1) Assumed at 0.30% per year on the DSRF and Surplus Fund.