

AGENDA ITEM

II. Proposed Lease Acquisition..... Jerome Harper

**Background:** The current lease between North Carolina Agricultural and Technical State University and Union Square Campus, Inc for approximately 20,931 square feet expires on June 30, 2026. The University seeks to execute a new ten-year full gross lease to support the University's nursing program, including teaching, research, clinical training, and related academic activities.

**II.a:** The University requests approval to enter into a new lease agreement for space at Union Square Campus, located at the corner of East Gate City Boulevard and Arlington Street, Greensboro, North Carolina.

**Situation:** North Carolina Agricultural and Technical State University requests approval to enter into a new ten-year full gross lease for approximately 20,931 square feet of space at Union Square Campus, located at the corner of East Gate City Boulevard and Arlington Street, Greensboro, NC. The space will support the University's nursing program, including teaching, research, clinical training, and related academic activities. The proposed lease includes a Year 1 annual cost not to exceed \$631,000 (\$30.15 per square foot), based on a 7% interest rate assumption, with annual escalations of three percent (3%) and a lease rate not to exceed \$823,312 (\$39.34 per square foot) during the ten-year term. To facilitate this acquisition, it is recommended that the Chancellor request a waiver from the UNC System Office's solicitation and advertisement requirements in favor of a strategic lease arrangement.

<p>N.C.A&amp;T State University 1601 East Market Street Greensboro, NC 27411</p>	<p>Union Square Campus, Inc Corner of East Gate City Boulevard and Arlington Street, Greensboro, NC 27401</p>
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**Action:** The Board of Trustees is requested to approve the execution of a new ten-year full gross lease for approximately 20,931 square feet at Union Square Campus and authorize the Chancellor to request a waiver from the UNC System Office's solicitation and advertisement requirements in favor of a strategic lease arrangement.

**Not to Exceed Ten-Year Rent Schedule (3% Escalation)**

**Year Annual Rent Rent per SF**

1	\$631,000	\$30.15
2	\$649,930	\$31.06
3	\$669,428	\$31.99
4	\$689,511	\$32.95
5	\$710,196	\$33.94
6	\$731,502	\$34.95
7	\$753,447	\$36.00
8	\$776,050	\$37.08
9	\$799,332	\$38.19
10	\$823,312	\$39.34