

Disposition by Lease – North Carolina State University

The Board of Trustees of North Carolina State University has requested approval of the lease of space to MeadWestvaco Corporation on the Centennial Campus.

The requested lease will replace an existing lease of 65,000 square feet with a new lease for 100,000 square feet in Corporate Research I. The new lease would house MeadWestvaco's Center for Packaging Innovation.

To accommodate the new lease, NCSU will use authority received in 2006 to construct and finance a 35,000 square foot addition to Corporate Research I.

The initial term of the requested lease is 15 years with two, five-year renewal options. While contingent on the cost of the addition and tenant-requested improvements to the existing space, the initial annual rent is expected to be \$25.33 per square foot with annual adjustments thereafter. MeadWestvaco will be responsible for building operating costs including utilities.

It is recommended that the request of the Board of Trustees be approved and sent to the Council of State for final action.