

APPENDIX G

Disposition of Property and Lease of Housing Space – Western Carolina University

Western Carolina University has requested approval to lease State land to the Affinity Housing, LLC, a subsidiary limited liability company of the Western Carolina University Research and Development Corporation for the purpose of constructing student housing. Western Carolina University also requests approval to enter into a long-term lease to acquire up to 290 beds of student housing from Affinity Housing, LLC, when construction is complete.

Western Carolina University will lease approximately 10 acres of land on campus to Affinity Housing, LLC. Affinity Housing, LLC will construct up to 290 beds of student housing which would then be leased back to Western Carolina University at a cost not to exceed \$375 per month per bed for a lease term of not to exceed thirty years. The cost will be consistent with the current rate structure for Western Carolina University's comparable residence halls. It is anticipated that the leased housing would be available by fall 2005 and would allow for the accommodation of anticipated enrollment growth. Western Carolina University residence halls are currently at 96% percent occupancy for 2004-2005. This leasing arrangement will enable the university to meet the long-term projected housing demands associated with campus growth to 9,000 students by 2005. Lease payments would be made from student housing receipts.

The lease of state land and the lease of the 290 beds will be accomplished within the guidelines, procedures, and policies of the North Carolina Department of Administration and the Council of State. Construction documents will be reviewed by the Office of State Construction and the Department of Insurance.

It is recommended that the following resolution be approved and the request of Western Carolina University transmitted to the Council of State for final action.

RESOLUTION AUTHORIZING AGREEMENTS RELATED TO THE
CONSTRUCTION OF PRIVATE HOUSING FACILITIES ON THE
CAMPUS OF WESTERN CAROLINA UNIVERSITY