

Disposition of Property and Lease of Housing Space – Appalachian State University

In 1999, the Appalachian Student Housing Corporation was organized as a non-profit entity whose purpose was to support and aid Appalachian State University by providing modern residential facilities to students.

The Board of Trustees of Appalachian State University has requested approval to lease State land to the Appalachian Student Housing Corporation (ASHC) for the purpose of constructing student housing. ASU also requests approval to enter into a long-term lease to acquire up to 400 beds of student housing from the ASHC.

ASU will lease approximately 4.7 acres of land on campus to ASHC. ASHC will construct up to 400 beds which would then be leased back to ASU at a projected cost of \$910,000 (\$2,275 per bed) per year for a lease term not to exceed 30 years. The cost charged to students would be consistent with the current rate structure for comparable ASU housing. The facility will be built on the site of the current Mountaineer Apartment complex that will be demolished (nine buildings, 90 apartments, built in 1973). It is anticipated that the leased housing will be available by Fall of 2011. Residence halls had 100% occupancy in 2008-09. Lease payments would be funded from student housing receipts.

This project is part of the Master Plan and was approved by the Board of Trustees. The lease of state land and the lease of the 400 beds will be accomplished within the guidelines, procedures, and policies of the North Carolina Department of Administration, the North Carolina Department of Insurance, and the Council of State.

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