

APPENDIX G

Disposition/Acquisition of Property – North Carolina State University

North Carolina State University requests approval of the acquisition of three properties through a land exchange with SAS Institute. The properties planned for acquisition are being acquired by Commander Properties on behalf of the Institute and are listed below:

1. The Joe Lee Tract is a 96-acre undeveloped property located on Mid Pines Road south of Tryon Road. The property is contiguous to NCSU's Lake Wheeler Road Field Laboratory on three sides. The College of Agriculture and Life Sciences would use this property to support the relocation of the beef cattle herd from their Reedy Creek Road location and provide future expansion opportunities for the Lake Wheeler Road Field Laboratory. This tract will be purchased by SAS Institute for \$2,880,000 and valued within the exchange at \$2,300,000, the appraised value established in consultation with the State Property Office.
2. The EyeBeam Building property is a 2.15-acre parcel with a two-story, 31,000 square-foot building constructed in 2000. Located at 512 Brickhaven Drive, this property is adjacent to NCSU's Raulston Arboretum. This property is one of four parcels that is targeted for acquisition for campus expansion adjacent to the Arboretum. The building would be used for office space, +meeting rooms, and swing space as needed by departments during construction of projects associated with the 2000 Higher Education Bond program and to supply the space needed to support NCSU program growth. This property will be purchased for \$4,075,000, a value established in consultation with the State Property Office.
3. The Blue Ridge Road property is a 1.44-acre parcel with a one-story, 14,850 square-foot building constructed in 1976. Located at 1528 Blue Ridge Road, the property is adjacent to the Centennial Biomedical Campus. The building has been leased for the past ten years by NCSU's Center for Urban Affairs and Community Services for use by their Technical Outreach for Public Schools program (TOPS). The property would continue to serve the TOPS program and provide future expansion opportunities for the Centennial Biomedical Campus. It is anticipated that this property will be purchased for \$920,000, a value established in consultation with the State Property Office.

In exchange, North Carolina State University requests to dispose of approximately 96 acres of grazing land located on the west side of Trenton Road that are used by the College of Agriculture and Life Sciences. The planned Cary Parkway Extension would bisect this parcel and the growing commercial and residential development around this land will ultimately diminish the ability of this property to support its associated academic program. SAS Institute is seeking to acquire this property for expansion of its adjacent campus. SAS Institute has also agreed that NCSU would retain use of the Trenton Road West property for a period of ten years

APPENDIX G

under a no-cost lease. The property has an appraised value of \$6,050,000 and the State Property Office concurs with the appraisal. The 2000 Higher Education Bonds would be the source of the additional funds needed to complete the transaction. The properties acquired as part of the proposed exchange are consistent with NCSU's master plan.

Summary of the property exchange funding strategy:

Exchange Item	Exchange Value*	
	Revenue	Expense
Acquisition of the Joe Lee Tract property		\$2,300,000
Acquisition of the EyeBeam Building property		\$4,075,000
Acquisition of the Blue Ridge Road property		\$ 920,000
Disposition of Trenton Road West property	\$6,050,000	
2000 Higher Education Bond Funds (land acquisition funds)	\$1,245,000	
Total	\$7,295,000	\$7,295,000

*The Joe Lee Tract will be purchased by SAS Institute for \$2,880,000 and exchanged to NCSU at a value of \$2,300,000 representing a \$580,000 benefit for NCSU

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