

Acquisition of Property – The University of North Carolina at Chapel Hill

The Board of Trustees of the University of North Carolina at Chapel Hill has requested approval to acquire property in Chapel Hill.

Owned by Duke Energy Carolinas, LLC (Manager: James E. Rogers), the property consists of 13.3 acres and is located on the northwest corner of Martin Luther King, Jr. Boulevard and Homestead Road. There is a single story, 21,834 square foot office and warehouse building on the property. Strategically located near Carolina North, the property will be used as a base location for connecting electric utility services to the Carolina North development as well as campus office and storage space. The State Property Office has concurred with the importance of this purchase and allowed UNC-CH to enter an option-to-purchase agreement which was executed on March 25, 2008. The negotiated purchase price of \$4,050,000 is less than the \$4,600,000 appraised value and will be funded from a combination of facilities and administrative receipts (\$3,000,000) and 2000 Higher Education Bond Funds (\$750,000) and utilities receipts (\$300,000).

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