

Disposition by Lease – North Carolina State University

The Board of Trustees of North Carolina State University has requested approval to sublease space to Dole Research within the North Carolina State Fruit & Vegetable Institute (F&VI) on the North Carolina Research Campus in Kannapolis, North Carolina.

This request would allow NCSU to sublease approximately 11,300 square feet of laboratory, office and support space in the F&VI to Dole Research (Owner: David H. Murdock). Locating Dole Research within the building will provide opportunity for joint activities between the research teams of Dole Research and NCSU's College of Agricultural and Life Sciences.

The term of the requested sublease is for twenty years or the end of NCSU's lease of the F&VI from Castle & Cooke North Carolina, LLC, whichever comes first. The annual base rent is \$43 per square foot and will not increase over the term of the sublease. Additional annual rent for operating costs will start at \$19.22 per square foot and will be adjusted annually based on projected operating costs. The total first full year of revenue is expected to be \$703,000. The revenue from this sublease will be applied to NCSU's rent and operating expenses at the N.C. Research Campus.

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