

Disposition of Property – North Carolina State University

The Board of Trustees of North Carolina State University has requested authorization to dispose of real property by sale.

Located in Rockingham County, NCSU is requesting permission to sell the property known as the Chinqua-Penn Plantation, a 23-acre parcel with improvements and associated collection of art, furnishings, and antiques.

Given to the University of North Carolina by Jeff and Betsy Penn and managed by NCSU since 1986, it was hoped that the Chinqua-Penn Plantation would become an attraction for visitors to Rockingham County. However, Chinqua-Penn Plantation has not been able to sustain a level of public interest that allows it to be a self-supporting operation. NCSU has concluded it is in the best interest of the University and the State of North Carolina to sell the property and dedicate the proceeds for scholarships.

Contingent on a 90-day examination period ending June 30, 2006 and necessary State approvals, NCSU has entered into an Agreement for Purchase and Sale of Real Property with a recommended buyer and at a recommended sales price. The sales price of \$4,128,500 is consistent with an independent appraisal of the real property and an independent valuation of the art, furnishings, and antiques. NCSU has requested that the buyer remain confidential until the conclusion of the examination period. The State Property Office concurs with the sales price of this property.

In accordance with the intent of the original gift, the proceeds from the sale of this property would be used to fund an endowment in the name of the Penn Family for students from Rockingham County for scholarships at University of North Carolina constituent institutions.

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