

AGENDA ITEM

C-7. Authorization of Property Acquisition by Lease – UNCPWill Johnson

Situation: The acquisition of real property by lease was approved by The University of Carolina at Pembroke (UNCP) Board of Trustees and requires Board of Governors approval since it is over \$500,000 in annual value.

Background: UNCP requests amendment of the current five-year lease term (SPO File # is 78-014D010) for this student residential apartment property to match the bond repayment term for the bond debt that is financing this property and owned by The UNCP University Foundation, LLC.

Assessment: This property matter meets the statutory requirements, and it is recommended that the Board of Governors approve this request.

It is further recommended that the amended property lease be transmitted to the Council of State for final action.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

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ISSUE OVERVIEW

UNC institutions are required to request authority from the Board of Governors to proceed with certain acquisitions and dispositions of real property.

THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE

Property Acquisition – Amendment to Lease

GRANTOR:	UNCP University Foundation, LLC
GRANTEE:	State of NC, The University of North Carolina at Pembroke (UNCP)
LOCATION:	567 University Road Pembroke, NC 28372
NAME:	University Courtyard, 336 apartment bedrooms
CURRENT TERM:	July 1, 2012 through June 30, 2017
AMENDED TERM:	July 1, 2012 through June 30, 2036
LEASE AMOUNT:	\$1,947,120.00 (FY 2016-17), paid in three installments each year. Rent for any Renewal Term shall be increased by an amount equal to the CPI for the preceding year
SOURCE OF FUNDS:	Housing receipts

RECOMMENDATION

It is recommended that this request from The University of North Carolina at Pembroke be approved.

This item requires a vote.