

## **Acquisition of Property by Deed – University of North Carolina at Charlotte**

### **ISSUE OVERVIEW**

The University of North Carolina at Charlotte Board of Trustees requests approval to exercise its option to purchase, under the ground lease agreement, the Greek Village from the UNC Charlotte Facilities Development Corporation (FDC), an associated entity of UNC Charlotte. The Greek Village project was approved by the General Assembly under S.L. 2004-181.

FDC entered into a ground lease with Firstfloor-UNCC, LLC to develop, construct, furnish, equip, and operate a P3 housing project. The project included the construction of thirteen 10,800 square-foot residence halls, an administrative office, and related site improvements. The ground lease agreement included an option to purchase the property. UNC Charlotte would like to exercise the option to purchase the improvements and to issue new bonds to reduce the remaining debt and to discharge the rate covenants in the P3 agreement. The estimated value of the project is \$13,000,000.

UNC Charlotte's Board of Trustees approved the resolution to exercise the option to purchase the Greek Village on December 8, 2020.

### **RECOMMENDATION**

It is recommended that the Board of Governors approve this request. This item requires approval of the Council of State.

APPENDIX E

STATE OF NORTH CAROLINA  
DEPARTMENT OF ADMINISTRATION

\*ACQUISITION OF REAL PROPERTY

Institution or Agency: UNC Charlotte

Date: Nov 19, 2020

The Department of Administration is requested, as provided by GS §146-22 et seq., to acquire the real property herein described by *purchase, lease, rental, or other (specify)*. By Deed—Exercise Option to Purchase

This Property is needed for the following reasons and purposes: *(Attach additional pages if needed.)*

On April 5, 2005, the Council of State approved a +/- 16-acre Ground-lease on which the UNC Charlotte's associated entity, Facilities Development Corp. (FDC) constructed (13) thirteen 10,800 square foot residence halls and leased-back to UNC Charlotte, the subject improvements at the rental cost equal to the associated debt service plus \$1.00.

In an effort to achieve savings through a reduction of debt service and other administrative costs, UNC Charlotte intends to exercise its Option to Purchase the improvements and seeks approval to acquire the subject ground-leased building and improvements at an estimated purchase option price in an amount not to exceed \$13,000,000 (defined as: "...the amount then necessary to pay or defease the principal of all Certificates remaining outstanding, any premium thereon and interest accrued or to accrue to the applicable prepayment or maturity date, plus all unpaid fees or expenses payable to the Trustee...")

Name and Address of Present Owner: UNC Charlotte Facilities Development Corp. (FDC)  
Mary Ann Rouse, President (UNC Charlotte Associated Entity)  
9201 University City Blvd  
Charlotte, NC 28032  
(704) 687-0560 (Real Estate POC: Richard LaLiberte)

**Description of Property:** *(Attach additional pages if needed.)*

(13) thirteen 10,800 SF, three-story residence halls, (1) Administrative Office; and, related site improvements (i.e. Parking Lot fences, access road, sidewalks, mail boxes etc.)

Estimated value: \$13,000,000.00

Rental price (if applicable): NA

Funds for the acquisition of this property are available in our budget under Code: TBD, Item: 927020  
Other: UNC Charlotte Housing & Dining Services receipts & General Funds

In the event the above described real property is not acquired, is there other real property available, owned by the State or otherwise, that you believe would, if acquired, fulfill the requirements of your agency? If so, give details.

None known

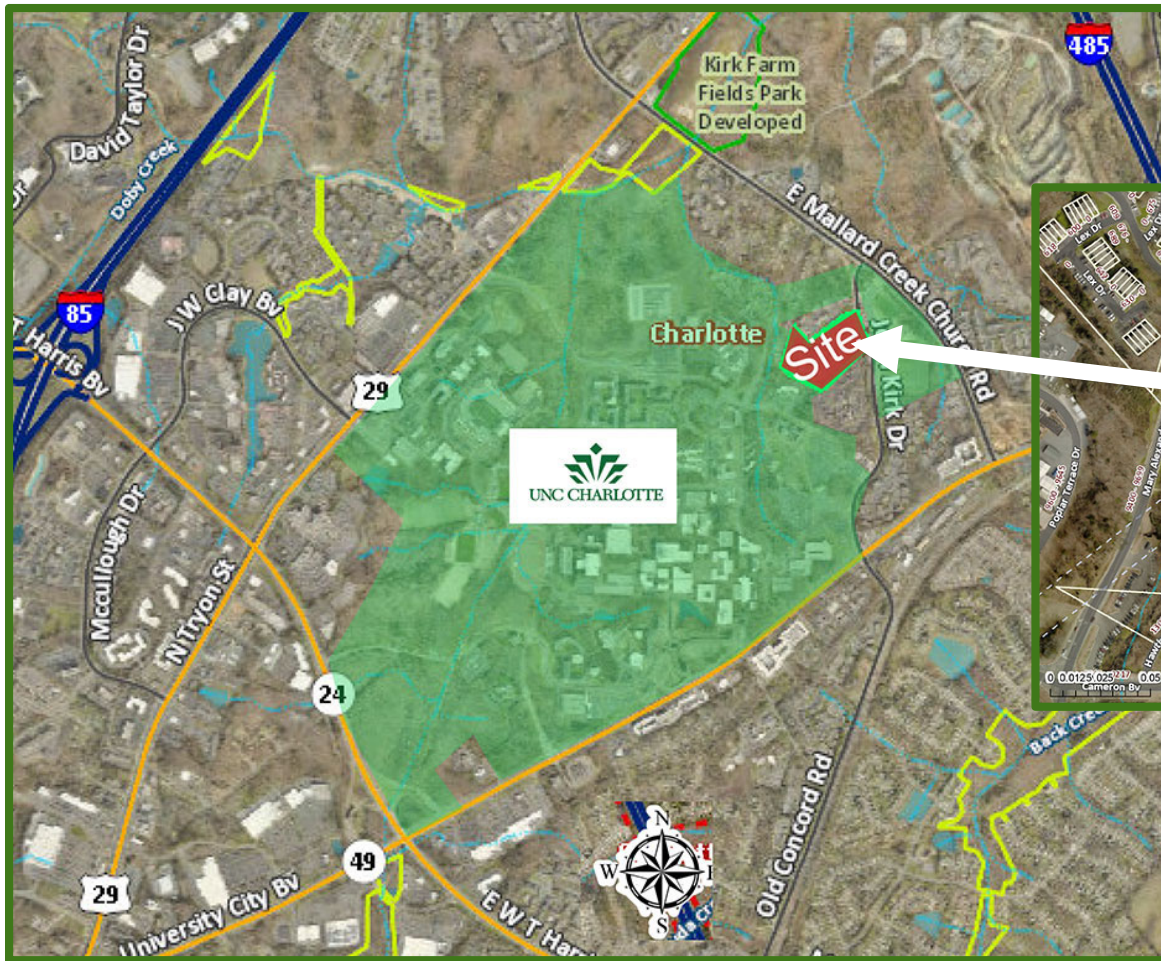
*(Complete if Agency has a Governing Board.)*

Action recommending the above request was taken by the Governing Board of Trustees and Board of Governors and are recorded in the minutes thereof on Dec 8, 2020 and Dec 17, 2020, respectively.

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Elizabeth A. Hardin  
Vice Chancellor for  
Business Affairs

# UNC Charlotte

Option to Purchase (Ground-leased) Improvements





## APPENDIX E





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**GREEK VILLAGE MAP**  
**UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE**