

Acquisition of Property by Lease – University of North Carolina Wilmington

ISSUE OVERVIEW

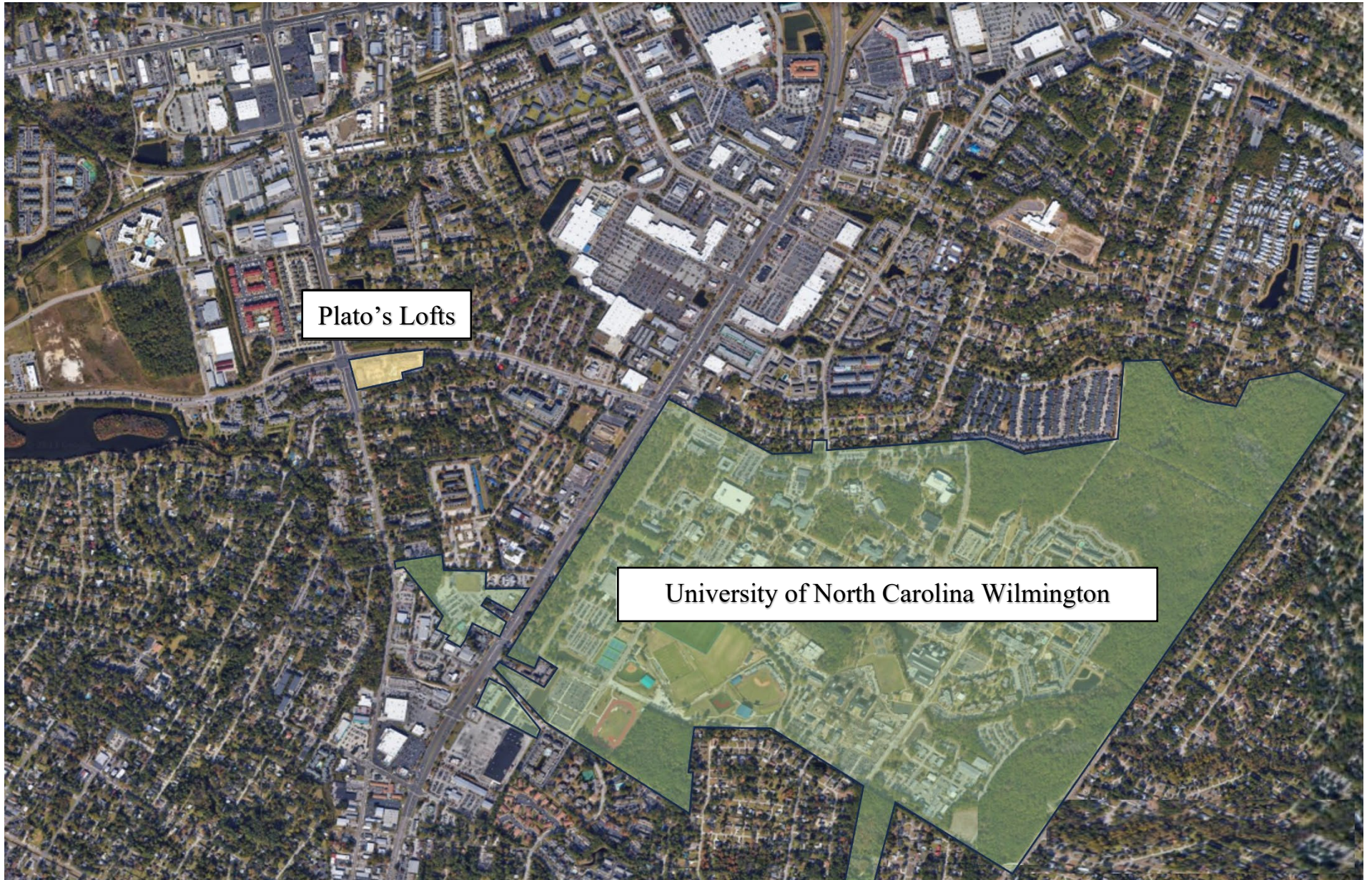
The University of North Carolina Wilmington Board of Trustees requests authorization to acquire property by lease of the 75,000 square foot apartment complex, Plato's Lofts Apartments, located at 4810 Randall Parkway, Wilmington, North Carolina. The property is approximately 5.7 acres and includes 54 fully furnished, four-bedroom/four-bathroom apartment units and 218 parking spaces. The acquisition will provide 216 additional beds for student housing. The lease term is for two years with three one-year options, and the lease rate is \$1.944 million annually with a 3 percent annual escalation rate.

The property is located within walking distance of the main campus and the acquisition will allow UNC Wilmington's student housing office to manage the entire complex. The property was identified through a strategic leasing process that prioritized proximity to campus, capacity to relieve student housing overflow demand, and a safe student living environment that will be available for Fall 2024. In Fall 2023, UNC Wilmington had an increased demand for student housing that required the use of approximately 200 overflow beds. The acquisition will allow UNC Wilmington to respond to increased demand for student housing with better housing options.

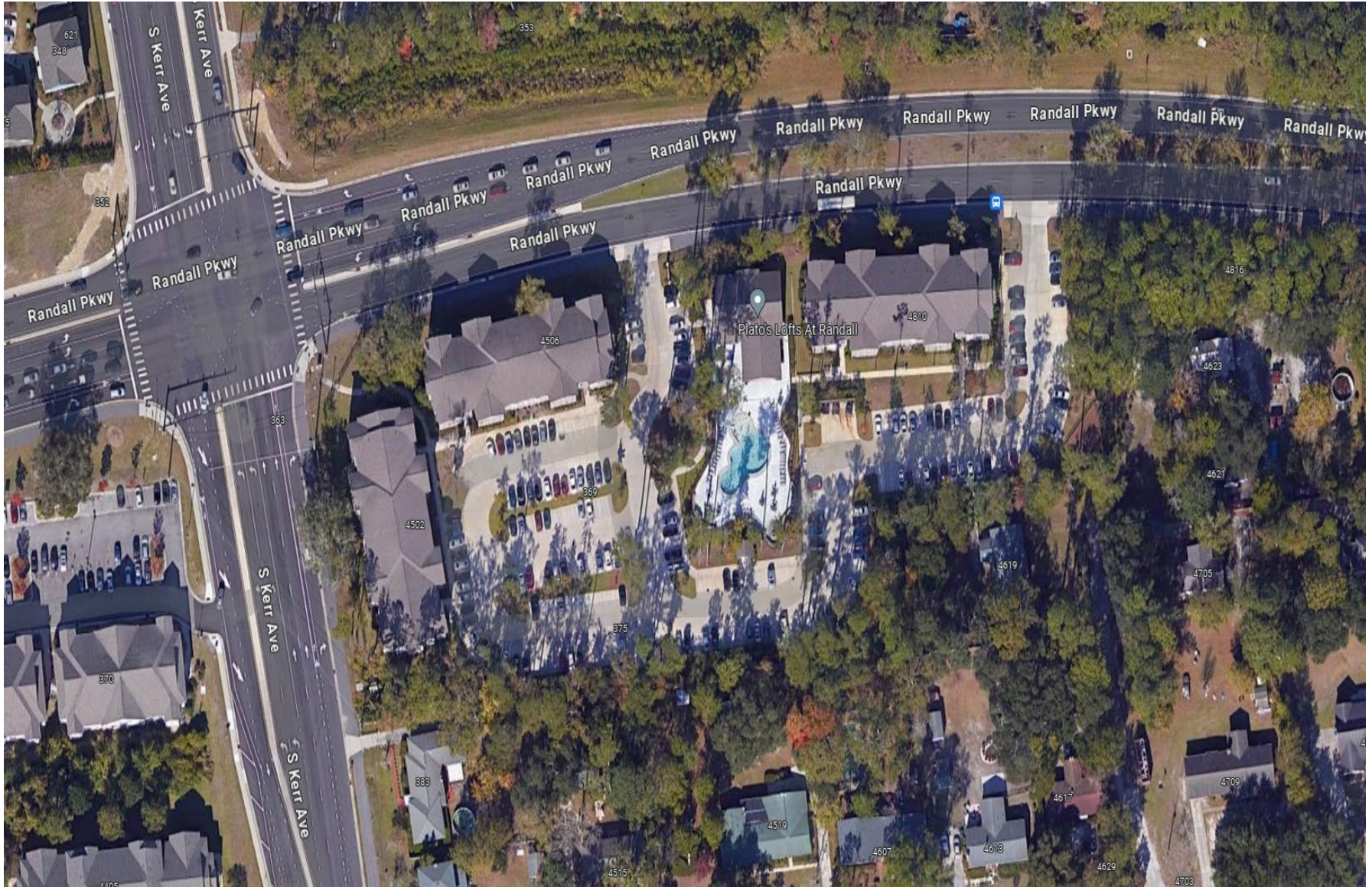
RECOMMENDATION

It is recommended that the Board of Governors approve this request.

Plato's Lofts Relative to UNC Wilmington



Aerial View – Plato's Lofts



**STATE OF NORTH CAROLINA
DEPARTMENT OF ADMINISTRATION**

***ACQUISITION OF REAL PROPERTY**

Institution or Agency: University of North Carolina at Wilmington

Date: 01/25/2024

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)*. Lease

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

To address growing demand for university managed housing, the university intends to enter into an agreement with Plato's Loft, LLC (owner of Plato's Lofts) – enabling UNCW to master lease the entire 216 bed facility located at 4810 Randall Parkway beginning in the summer of 2024 (prior to the start of the fall semester).

Name and Address of Present Owner:

Physical Address of Property

Plato's Loft LLC (Owner)
4810 Randall Parkway
Wilmington, NC 28403

On-Site Administrative Office Address

Plato's Loft LLC
4608 Randall Parkway
Wilmington, NC 28403

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

The property is located on 5.7 acres at 4608 Randall Parkway and consists of approximately 75,000 residential square feet, including 54 fully furnished residential four-bedroom/four-bathroom apartment units (each including stainless steel appliances, a 50-inch flat-screen television, and full-size washer and dryers). The property also includes the following appurtenances: resort-style pool, 24-hour residential business center with free printing, 24-hour fitness center, TV and media room, grilling and picnic pavilion, dog park, and 218 parking spaces (10 of which are designated for handicap parking).

Estimated value:	<u>\$1,944,000 (Year 1 lease value)</u>	Rental price (if applicable):	<u>\$1,944,000 (Year 1)</u>
	<u>\$2,002,320 (Year 2 lease value)</u>		<u>\$2,002,320 (Year 2)</u>

Funds for the acquisition of this property are available in our budget under **Code: 318500** , **Item: 924120**

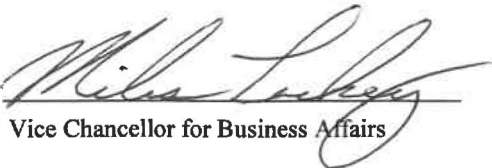
Other: Housing funds

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. N/A

(Complete if Agency has a Governing Board.)

Action recommending the above request was taken by the Governing Board of UNCW and is recorded in the minutes thereof on 12/15/23

Signature:



Title:

Vice Chancellor for Business Affairs

*The term "real property" includes timber rights, mineral rights, etc. (GS §146-64)