

# FCR 10

Office of the President:  
May 16, 2012

Members, Board of Trustees:

APPROVAL OF GROUND LEASE  
WITH RHO IOATA HOUSE CORPORATION OF PHI MU INTERNATIONAL  
FRATERNITY, INC.

Recommendation: that the Board of Trustees authorize the Vice President of Financial Operations and Treasurer to negotiate and execute the following:

A ground lease between the University of Kentucky, as Lessor, and the Rho Ioata House Corporation of Phi Mu International Fraternity, Inc., as Lessee, for property located at 448-450-452 Rose Lane, Lexington, Kentucky (the "Property").

Background: The Rho Ioata House Corporation of Phi Mu International Fraternity, Inc. (Phi Mu) is a Kentucky not-for-profit corporation. As the University's newest sorority, Phi Mu has worked with the University to arrive at a mutually acceptable location for the construction of a chapter house. Phi Mu and the University have agreed on a location within the Greek Park area between Alice Lloyd College's Caney Cottage and the future site of the Farmhouse Fraternity (FCR 2, January 22, 2008).

Phi Mu proposes to construct, at their expense, a chapter house of approximately 17,000 square feet on the Property. The term of the lease is expected to be 50 years.

This ground lease will be contingent upon successfully amending the August 23, 1991 exchange agreement between Alice Lloyd College and the University for the use of 20 parking spaces, as provided for in the original agreement. This parking is currently being accommodated at 448 Rose Lane. The University is proposing to relocate this parking to 442 Rose Lane.

Any building constructed on the Property must be approved by the University's Facilities Management Division and comply with all applicable zoning, licensing, permitting, and certifications required by any governmental authority having jurisdiction over the construction or property.

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Action taken:     Approved     Disapproved     Other \_\_\_\_\_