

FCR 20

Office of the President
January 11, 2005

Members, Board of Trustees:

APPROVAL OF LEASE OF COLDSTREAM RESEARCH CAMPUS LOT

Recommendation: that the Executive Vice President for Finance and Administration be authorized to negotiate and execute the following:

A lease between the University of Kentucky and Lexington Dark Star, LLC, for Lot 9, 19.38 acres, in the Coldstream Research Campus.

Background: Lexington Dark Star, LLC, is a Kentucky corporation recently formed by Mr. Kale Roscoe, owner of PCMG, LLC. PCMG is a comprehensive commercial property company with operations in Michigan and Kentucky and is the owner and managing company of the IBM building on Coldstream Research Campus. PCMG operations include property/asset management, brokerage and land acquisition, leasing, and land development.

Through Lexington Dark Star, LLC, Mr. Roscoe proposes to build two multi-tenant facilities on Lot 9, with the initial building project anchored by a tenant occupying approximately 25,000 square feet. The total size of the proposed facilities is estimated to be 250,000 square feet. The term of the lease is expected to be 100 years with an annual lease rate of \$209,304. Ground rent payments will begin upon completion of the construction of each building.

Any building to be constructed at the Coldstream Research Campus must be approved by the University's Design and Review Committee. In addition, tenants must comply with the Guidelines for Permitted Uses of the University of Kentucky Coldstream Research Campus which is included as part of the land lease contract.

Action taken: Approved Disapproved Other _____