



**The University of North Carolina at Greensboro
Board of Trustees
July 14, 2026**

Action Item

**BOT – 2 Lease Acquisition from Union Square Campus, Inc. at 124 East Gate City Blvd.,
Greensboro**

Background Information

For the past ten years, UNC Greensboro has been leasing space from Union Square Campus, Inc. (Landlord) at Union Square Campus, located at 124 East Gate City Boulevard, Greensboro. The current lease expires June 30, 2026, and will transition into a month-to-month holdover period with permission from the Landlord. Union Square Campus, a three-story building in Downtown Greensboro, was conceived and constructed as a joint venture to support nursing instruction for UNCG, North Carolina Agricultural and Technical State University, Guilford Technical Community College, and Cone Health. Each partner has a separate lease with the Landlord for their respective square footage within the building (84,440 total SF). UNCG was allocated approximately 32.7% of the total space within the building and pays a pro rata lease rental. The building includes classrooms, labs, study areas, common areas, an auditorium, and a state-of-the-art simulation center.

All the initial partners have benefited from the space and wish to enter another 10-year lease substantially similar to the current lease. The proposed lease is a full-service gross lease, with property and lease management contracted to Gateway Research Park. The capital cost to construct the building was debt financed by the Landlord and paid down using rental payments from the partners. The Landlord is in the process of refinancing its outstanding debt service, and the final lease rate will be dependent upon the refinance interest rate secured. As such UNCG's annual rental rate in year one (commencing July 1, 2026) will range between \$804,000 and \$833,000, plus 3% annual escalations thereafter. The current annual rental rate is \$775,500, so this represents an increase between 3.7% and 7.4% from the current level.

Authority

The UNC Board of Governors adopted a resolution on delegation of leasing authority on November 13, 1981, and approved *Additional Delegated Authority* for UNC Greensboro to authorize the acquisition and disposition of real property through lease and non-lease transactions consistent with G.S. 116-31.12, UNC Policy 600.1.3 and 600.1.3[R] on February 24, 2022.

UNC policy 600.1.3[R], as amended on November 24, 2025, grants authorization to the Board of Trustees to approve lease acquisitions and dispositions with annual rental not to exceed \$1,999,999 and a term not to exceed 10 years. The terms of this lease fall within this delegated authority and require no further approval by the Board of Governors or its president, nor the State Property Office or the Council of State.

The University Space and Property Review Committee (USPRC) approved this lease on May 26, 2026, and the Chancellor approved it on June 1, 2026, a record of which is included here for reference.

Per UNC Policy 600.1.3[R], acquisition of property by lease of \$100,000 or more in annual rental and a term of ten years or less requires solicitation and advertisement, unless the UNC System Office waives this requirement in favor of a *strategic lease* process following a request from the Chancellor of the constituent institution. Since a lease acquisition of this specific property is necessary and appropriate to take full advantage of the opportunities of strategic importance to UNCG, the USPRC recommended that the Chancellor request a *strategic lease*. The Chancellor's request to utilize a *strategic lease* process was approved by the UNC System Office on June 10th, 2026, and is included here for reference.

Attachments:

- 2.1 University Space and Property Review Committee Lease Acquisition Approval signed by Chancellor and Provost
- 2.2 Justification for Strategic Lease at Union Square Campus
- 2.3 System Memorandum of Approval to Chancellor dated June 10, 2026

Recommended Action

That the Board of Trustees of the University of North Carolina at Greensboro authorize a 10-year full-service gross lease acquisition with Union Square Campus, Inc. commencing July 1, 2026, with rental in year one not to exceed \$833,000.00, and with 3% annual rental escalations thereafter.

Board of Trustees Approval:

By:

Title:

Date: July 14, 2026