UNC GREENSBORO
Board *of* Trustees

Finance and Administration Committee
November 10, 2026

Action Item

FAC – 6 Resolution Authorizing Extension of Mandatory Purchase Date for 2017 Leases

Background Information

In 2017, the State of North Carolina entered into lease arrangements involving the Capital Facilities Foundation, Inc. (CFF) to support facilities used by UNC Greensboro for campus operations and the Theatre Department. The campus operations facility is located at 840 Neal Street; the Theatre Department facilities are located at 821 Lilly Avenue, 326 S. Tate Street, and 328 S. Tate Street. The original lease terms were 30 years.

Under related Use Agreements, UNC Greensboro operates and manages these facilities and assumes the State's rental payment obligations, subject to legally available funds and State appropriation. In connection with financing provided by PNC Bank, National Association, CFF assigned substantially all of its rights under the leases and Use Agreements to the Bank.

The Use Agreements and related assignments establish a Mandatory Purchase Date of April 1, 2027 for Base Rental Payments. The agreements permit UNC Greensboro to request an extension of that date from the Bank and CFF.

Requirement

Board of Trustees action is requested to authorize designated University officials to seek and implement an extension of the Mandatory Purchase Date under the existing Use Agreements and related assignments.

Recommended Action

The Board of Trustees of The University of North Carolina at Greensboro approves the accompanying resolution authorizing the Chancellor and the Vice Chancellor for Finance and Administration, or their designees, individually or collectively, to request that PNC Bank, National Association and CFF extend the April 1, 2027 Mandatory Purchase Date under each applicable Use Agreement and assignment for up to 10 years at a current market rate offered by the Bank.

The resolution further authorizes these officials to approve the extension term and applicable market rate, execute and deliver documents necessary to effect the extension, and take all related actions to carry out the resolution. The resolution becomes effective upon adoption.

Attachment

6.1 Resolution Authorizing Extension of Mandatory Purchase Date for 2017 Leases

John Loonan
Vice Chancellor for Finance *and* Administration

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO AUTHORIZING THE EXTENSION OF CERTAIN TERMS UNDER USE AGREEMENTS RELATED TO THE LEASE OF FACILITIES FOR CAMPUS OPERATIONS AND THEATER DEPARTMENT

***WHEREAS*,** the State of North Carolina (the *"State"*) has entered into a Ground Lease with the Capital Facilities Foundation, Inc. (the *"Corporation"*) for a site located at 840 Neal Street, Greensboro, North Carolina on which the Corporation financed the construction of a facility to be used by The University of North Carolina at Greensboro (*"UNC Greensboro"*) for campus operations (the *"Campus Operations Site"*);

***WHEREAS*,** the State leases the Campus Operations Site from the Corporation for use by UNC Greensboro;

***WHEREAS*,** the State also leases a site owned by the Corporation located at 821 Lilly Avenue, 326 S. Tate Street and 328 S. Tate Street in Greensboro, North Carolina on which the Corporation financed the construction of a facility to be used by UNC Greensboro for its Theater Department and other operations (the *"Theater Department Site"*);

***WHEREAS*,** the leases for both the Campus Operations Site and the Theater Department Site were for thirty years from their original dates in 2017 (collectively, the *"Leases"*);

***WHEREAS*,** UNC Greensboro operates and manages the facilities on the Campus Operations Site and the Theater Department Site (the *"Facilities"*) under the terms of Use Agreements related to each (the *"Use Agreements"*) between UNC Greensboro and the Corporation, whereby UNC Greensboro agreed to operate and manage the Facilities as part of its campus operations and whereby UNC Greensboro assumed the rental payment obligations of the State to the Corporation under the Lease in the form of Base Rentals and any Additional Rentals as described in the Use Agreements, such rental obligations to be paid from legally available sources of funds of UNC Greensboro, subject to appropriation from the State;

WHEREAS, as part of the financing of the Facilities by the Corporation with PNC Bank, National Association (the *"Bank"*), the Corporation assigned substantially all of its rights in the Leases and Use Agreements to the Bank pursuant to separate Assignments of Base Rentals, Leases and Use Agreement (collectively, the *"Assignments"*);

WHEREAS, pursuant to each of the Use Agreements and the Assignments, Base Rental Payments are subject to a "Mandatory Purchase Date" of April 1, 2027 which, pursuant to the Use Agreements, UNCG can request that the Bank extend;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Authorization of Request to Extend Mandatory Purchase Date under Use Agreements and Assignments. The Board of Trustees authorizes and approves the Chancellor and the Vice Chancellor of Finance and Administration of UNC Greensboro, or their designees, individually or collectively (the *"Authorized Officers"*), to request that the Bank extend the Mandatory Purchase Date under each of the Use Agreements and the Assignments for a period of up to 10 years at a current market rate offered by the Bank, and the Authorized Officers be and they hereby are authorized, empowered and directed to approve the tenor of the extension and such current market rate and execute, approve and deliver such documents as may be necessary to effect such extension as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Board's approval.

Section 2. General Authority. From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, the Leases, the Use Agreements, the Assignments and related documents.

Section 3. Effective Date. This Resolution is effective on its adoption.

ADOPTED AND APPROVED this 12th day of November, 2026.

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

By: _____
Secretary

STATE OF NORTH CAROLINA)
)
COUNTY OF GUILFORD)

I, _____, the duly elected Secretary of the Board of Trustees of The University of North Carolina at Greensboro, ***DO HEREBY CERTIFY*** that the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Trustees of The University of North Carolina at Greensboro at its meeting of November 12, 2026 and appearing in the minutes of such meeting.

WITNESS**,** my hand and the seal of The University of North Carolina at Greensboro this ___ day of _____, 2026.

[SEAL]

_____
Secretary