

March 5-6, 2020

ITEM 187-2703-R0320

Request for Authorization to Execute a Lease between Montana State University Billings Foundation and Montana State University Billings

THAT

This request is for renewal of a lease for McDonald Hall between Montana State University Billings and the MSUB Foundation in compliance with Physical Plant Policy 1003.6, Section III (B). This policy states that a lease with terms that exceed five years in duration or includes total lease payments that exceed \$25,000 per year must be approved by the Board of Regents.

EXPLANATION

Montana State University is leasing McDonald Hall from the MSUB Foundation to house the College of Business. The lease is for a term of five years, for the period July 1, 2020 to June 30, 2025. The annual rent is \$562,575 (\$15.00 PSF, 37,505 SF) for the first three years of the lease and \$581,327.50 for the last 2 years of the lease, which is a 3% increase.

This is the renewal of a five-year lease that expires on June 30, 2020. The current annual rate is \$562,575.

ATTACHMENTS

Attachment #1: McDonald Hall Lease