

January 3, 2023

ITEM 204-2003-R0123

Request for Authorization to Execute a Lease Renewal at 2327 University Way, Bozeman; Montana State University

THAT

Consistent with the Board's authority to manage and control the Montana University System and in accordance with Board of Regents Policy 1003.6, the Board of Regents of the Montana University System authorizes Montana State University to renew an off-campus lease for space at 2327 University Way, Bozeman.

EXPLANATION

1. Since 2007, MSU has occupied space on the second and third floors of the building at 2327 University Way. The current leased footprint is 28,976 square-foot and shared between University Information Technology, MSU's Sleep Lab and associated research space, MSU's Research and Economic Development offices, and Western Transportation Institute.
 2. The current lease expires April 14, 2023.
 3. The lease renewal will be for a 5-year term and will include a 2.5% annual escalator. MSU will have an option to terminate after 3 years with 6-month notice and no additional renewal options.
 4. Current base rent is \$21.87 per-square-foot or \$633,705.12 on an annual basis. Beginning April 15, 2023, the base rental rate is expected to increase up to but no more than 3% for a base rent of \$22.53 per-square-foot or \$652,829.28 on an annual basis.
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ATTACHMENTS

None