

July 14, 2022

ITEM 201-2002-R0722

Request for Authorization to Execute a Lease Renewal at 1160 Research Drive; 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 existing off-campus lease for space to accommodate Safety and Risk Management (SRM) and associated functions.

EXPLANATION

1. Since 1998, MSU has leased a building from Advanced Technology Inc. (a wholly-owned subsidiary of the MSU Foundation) to house SRM who is responsible for implementing safety, risk and compliance functions at MSU and the Montana Agriculture Experiment Stations.
 2. The lease is for an approximately 9,230 sf building located at 1160 Research Drive in the MSU Innovation Campus, contiguous to MSU property.
 3. The current 5-year commercial lease agreement expires September 30, 2022.
 4. The lease renewal is for a 3-year term through September 30, 2025, with the ability to execute two (2), one-year renewals at MSU's discretion, and includes an annual escalator of 2.5%.
 5. Current base rent rate is \$11.92/SF or \$109,980 on an annual basis. Beginning 10/1/22, the base rental rate shall include a 2.5% increase to \$12.22 per square foot or \$112,728 annually.
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ATTACHMENTS

None