

July 11, 2023

**ITEM 207-2001-R0723**

**Request for Authorization to Execute Lease at the INDUSTRY Building Located at 2425 Technology Boulevard; Montana State University**

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**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 enter into a lease agreement with INDUSTRY BOZEMAN PROPERTY, LLC.

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**EXPLANATION**

1. MilTech, an MSU research department and an authorized National Government Partnership Intermediary, is seeking additional space due to their sustained growth. They need office space to support additional full-time staff in their design and integration groups, who support existing customer's projects.
  2. MilTech desires to lease approximately 4,375 square feet of build-to-suit office and conference room space.
  3. The INDUSTRY building is located at 2425 Technology Blvd and is in the final stages of construction and suite build out.
  4. The initial lease term is three (3) years with an estimated effective date of 1/1/2024 at a base rental rate of \$32.00 per square foot or \$140,000 on an annual basis, with 3% annual escalations.
  5. Funding for this lease will come from federal grant dollars which MilTech has doubled from FY22 to FY23.
  6. No State funding will be utilized.
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**ATTACHMENTS**

Attachment #1: Lease Abstract