

# FCR 14

Office of the President  
June 13, 2006

Members, Board of Trustees:

## APPROVAL OF LEASE – LOT 14A AT COLDSTREAM

Recommendation: that the Executive Vice President for Finance and Administration be authorized to negotiate and execute the following:

A lease between the University of Kentucky and Lexington Holdings II Lot 14A Exclusive, LLC for Lot 14A, approximately 6.0 acres in the UK Coldstream Research Campus.

Background: Lexington Holdings II Lot 14A Exclusive, LLC is a Kentucky corporation recently formed by Mr. Kale Roscoe, managing member of Lexington Holdings, LLC, which holds a lease for Lot 9, UK Coldstream Research Campus, previously authorized by this Board on January 11, 2005 and executed on March 14, 2005. In addition, Mr. Roscoe owns PCMG, the owner and managing company of the IBM building on Coldstream Research Campus, and he is the managing member of 150 Bull Lea, LLC, the owner and managing company of the Coldstream Center, formerly owned by the university and approved for sale by this Board and executed on March 21, 2006.

Through Lexington Holdings II Lot 14A Exclusive, LLC, Mr. Roscoe proposes to build a single tenant facility on Lot 14A, in which Exstream Software, Inc. will relocate its corporate headquarters and the core of its commercial operations. The company is presently located in Lexington, Kentucky and is outgrowing the existing space with no ability to expand. The university will submit to the LFUCG Planning Commission a plan to subdivide and remap Lots 14 and 15, allowing the university flexibility in attracting prospective Tenants of the size of Exstream Software, Inc. and allowing Exstream Software, Inc. the flexibility for growth by expanding on the lots surrounding Lot 14A. The building will be a two-story structure of approximately 40,000 square feet with frontal exposure to Newtown Pike. The term of the lease is expected to be 100 years with an annual lease rate of approximately \$59,500.

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Action taken:       Approved       Disapproved       Other \_\_\_\_\_