
Final Report & Recommendations

Greek Court Redevelopment Task Force

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Presented to

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per request of Chancellor James L. Oblinger

Executive Summary

Greek letter organizations have existed at North Carolina State University for over 100 years. NC State has more than 40 fraternities and sororities, ranging in size from two members to more than 100 members. The Greek experience provides undergraduate students with opportunities for involvement, leadership development, community service, and social development. Alumni/ae of these organizations are active supporters of the University providing significant financial support to our institution. Participation in Greek organizations nationally has been shown to increase retention and graduation rates.

An important decision for chapters is whether to have a chapter house. Chapters who desire to have housing can do so on- or off campus. Chapters may choose to rent, or they may pursue house ownership in order to develop equity in their property. NC State has leased 15 on campus houses to fraternities and sororities since 1964 located in the area known as Greek Court. Beginning in 2000, NC State undertook comprehensive renovations of these houses. Since then, \$8 million has been spent completing major system and cosmetic upgrades to ten of the houses. Five houses have not been renovated due to a lack of funding.

One concern often expressed by fraternity and sorority chapters at NC State is that they want to own houses rather than to rent them in order to develop equity and better manage their organizational costs. Those chapters who have pursued house ownership have had to do so on property located off campus.

The University remains firmly committed to the long-term health and success of the Greek community, and housing is a critical component of that success. Despite the best efforts of the renovation project, it is apparent that an overall redevelopment of Greek Court, including new chapter houses, is needed to create a vibrant hub of fraternity and sorority life. A new Greek Court will provide opportunities for living, learning, and social development in the heart of campus.

Chancellor James Oblinger appointed the Greek Court Redevelopment Task Force, comprised of Greek alumni/ae, students, University staff, and architectural and land-planning consultants. The Task Force developed strategies to make Greek Court a more attractive and viable community. Items considered included a land-lease option that would allow chapters to build houses on Greek Court. If the land-lease option is enacted, additional chapters will have opportunities to live on campus.

The Task Force has worked with the University Architect and external consultants to create a long-term redevelopment plan for Greek Court. The redevelopment will be completed in four phases, each designed to create building lots for individual houses and common amenities. There are a total of 20 building lots laid out in the new Greek Court Master Plan. The project requires instillation of all new infrastructure, providing new roads and pathways to connect the area to campus and the City of Raleigh. The existing chapter houses will be demolished as the development occurs. The University and chapters will share all infrastructure costs estimated at \$10 million.

Several amenities will be constructed as a part of the new Master Plan: an amphitheater, community shelters, and recreational fields. Costs to provide these amenities are an estimated \$3.4 million and should be shared by campus partners and gifts. A community center is slated near the center of the property at a cost of \$6.7 million to be funded by gifts. The University Foundation will receive alumni/ae donations to be earmarked for this project. These amenities complete the neighborhood feel of the new Greek Court, and connect the surrounding lots to a central focus.

Townhouses will be built to provide housing for small chapters and groups who cannot afford to construct their own facility. For instance, this would be an attractive option for our African American fraternities and sororities, or emerging multicultural groups. It also provides incubator space for newly forming chapters. This component is essential to creating an opportunity for inclusion of all chapters and members of the Greek Community at NC State regardless of size or age. The project provides an estimated 200 beds at a cost of \$12 million. This project will be funded as a self-liquidating University housing project.

The Greek Court redevelopment plan has been shared with various constituencies and has received very positive response. Numerous alumni/ae groups, national organizations, undergraduate chapter leaders, and council officers have had the chance to review the plans and offer input as the plans have evolved. The general tone of the Greek Community is that of excitement and anticipation. The Chancellor's Neighborhood Advisers applauded this effort and encouraged speedy implementation.

The redevelopment of Greek Court is a critical priority for the Department of Greek Life in a comprehensive effort to support and develop our Greek community. Greek Court can become the center of fraternity and sorority activity on campus for all chapters regardless of their housing status. Organizations who have or want houses need facilities that will provide competitive housing for their members and a home for chapter operations. This effort demonstrates the University's on-going commitment to supporting the organizations that choose to live on campus.

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I. Introduction

Greek letter organizations have existed at North Carolina State University for over 100 years. NC State has more than 40 fraternities and sororities, ranging in size from two members to more than 100 members. An important decision for each of these chapters is whether to have a chapter house. Chapters who desire to have housing can do so on or off campus. Chapters may choose to rent, or they may pursue house ownership in order to develop equity in their property.

North Carolina State University has provided on campus houses for fraternities and sororities since 1964. Fifteen chapter houses are located in the area known as Greek Court. These houses are owned by the University and leased to the chapters. Fourteen of the houses provide accommodations for 38-40 residents, while one house provides living space for nine students.

Greek Court has served the campus well. Beginning in 2000, NC State started comprehensive renovations of the houses on Greek Court. Since then, \$8 million has been spent completing major systems and cosmetic renovations to ten of the houses on Greek Court.

One concern often expressed by fraternity and sorority chapters at NC State is that they want to own houses rather than to rent them. Undergraduate student members, alumni/ae advisory boards, and national headquarters staff members often express a desire to develop equity in their chapter houses. Those chapters who have pursued house ownership have had to do so on property located off campus.

Beginning in 2003, the Department of Greek Life had a series of meetings with a group of alumni/ae representing various chapters who wanted to build new, chapter owned, houses on Greek Court. The University of South Carolina has implemented this option on their campus, and it has been very successful. After consultation with various NC State University departments, it appears that this is a desirable course of action for our campus.

Greek Life invited the University Architect to work with the interested group of alumni/ae to develop a vision for the revitalization of Greek Court. The following statement is the product of that work:

Vision for a Revitalized Greek Court

We envision a new partnership between the University and the fraternities and sororities of NC State for future redevelopment of the Greek Court campus neighborhood. We envision a mutually beneficial public-private partnership that will allow for development of a new community. This new development will enhance our fraternity and sorority chapters by improving housing for members, strengthening our relations with alumni/ae, and ensuring a long-term future for our organizations.

- An attractive Greek Court will serve to support the Greek Community to recruit new members, to increase the number of individuals and chapters for our campus, and to enhance alumni/ae support in the future.
- Greek Court should become a more active, dynamic place. Increased traffic and visibility will help the University Community to be aware of Greek Court and the activities held there.
- The land that has been occupied by Greek chapters for over 40 years must continue to be available to Greek letter organizations in the future. The development of Centennial Campus and the improvements to Varsity Drive will make the Greek Court area even more attractive to students.

- Greek Court should be connected to the rest of the University through walkways, bike paths, and roads. The University should view Greek Court as an integral part of the campus, not an isolated area.
- Greek Court will offer a variety of housing options for NC State fraternities and sororities. Chapters will be able to construct new houses on land leased from NC State or continue to rent existing renovated houses on Greek Court. There may be a need to construct additional University owned facilities for rental to small organizations.
- Greek Court should include amenities such as recreational fields and outdoor gathering spaces so that members of the Greek Community can have places to come together.
- The redevelopment of Greek Court may evolve over decades and should be planned in such a way to allow for gradual change.
- Greek Court will become the true center of the NC State Greek community, with housing options that are attractive to all facets of our community.
- Greek Court will have new facilities designed to meet the needs of current students and organizations.

The option to build chapter owned houses on University land would involve creating a long-term land lease option. Greek organizations, through alumni/ae house corporations, would be offered building sites on Greek Court. The term of the land lease would be for 40 years, renewable for an additional 40 years, at a cost of \$1.00 per year.

The construction of these new chapter houses would be at no cost to the University. All operating and maintenance costs would be the responsibility of the Greek organization. Infrastructure costs would be shared between the University and the organizations.

Chancellor James Oblinger has appointed the Greek Court Redevelopment Task Force, comprised of Greek alumni/ae, students, University staff, and architectural and land-planning consultants. The Task Force, working with the University Architect, has developed strategies to make Greek Court a more attractive and viable community. This plan involves construction of new chapter owned houses, realignment of the roadway that goes through Greek Court, development of a community center, and other common amenities. New University owned facilities might be needed for chapters whose size will not support the construction and operation of a chapter owned, stand alone facility. The existing houses would continue to be offered to those chapters who prefer to rent for the foreseeable future.

II. Background and Status of Greek Court

Fifteen chapter houses occupy the area known as Greek Court. The first twelve were built between 1962-64 with an average capacity of 40 bed spaces. In 1975, two additional rental spaces were constructed in the form of a duplex. This facility, with a capacity of 40 beds per side, was the first housing constructed to accommodate sorority women. In 1983, a private residence on the corner of Varsity Drive and Marcom Street was purchased with the intent of housing Alpha Phi Alpha Fraternity, Inc. This house, with a capacity of nine, was and remains the only housing option that is appropriately sized for the needs of our historically African American organizations.

Since 2001, 10 of 15 houses have been renovated at a total cost of \$8 million. Eleven Greek Court houses were occupied at the start of the Fall 2006 semester. Chapters are currently on five-year leases with renewal options through 2021. The University provides maintenance and upkeep for the facilities. Chapters are responsible for furnishings, utilities, housekeeping, and rent collection under the standard lease model. A premium model is also offered that includes bedroom furnishings, utilities, housekeeping, and rent collection from individual residents.

Greek Court is ideally located in the South Campus Precinct between the original campus and Centennial Campus. It is currently the hub of much of the fraternity and sorority life on campus. The current Campus Master Plan update has identified this portion of campus as being ripe for redevelopment. The Greek Court Redevelopment Task Force has worked with the University Architect to address areas of connectivity, land use, and overall aesthetics in the context of the overall Campus Master Plan.



Sorority Duplex



Alpha Phi Alpha stone house



Pi Kappa Alpha, house 10



Delta Gamma, house 12

III. Greek Court Redevelopment Task Force

On March 28, 2006, Chancellor Oblinger appointed 16 students, alumni/ae, faculty, and staff to the Greek Court Redevelopment Task Force. In addition, 19 others served as consultants or were invested enough in the project to regularly attend meetings and contribute their interest and ideas. All participants are listed below:

Task Force Members

Name	Position	Affiliation, if any
Dr. Tim Luckadoo, chair	Associate Vice Chancellor, Student Affairs	Sigma Phi Epsilon
Dr. George Adams	Alumni Advisor	Alpha Phi Alpha
Maura Anderson	Former Panhellenic President	Delta Zeta
Bob Bryan	Alumni Advisor	Sigma Phi Epsilon
Shelly Brown Dobek	Associate Director of Greek Life	Delta Zeta
Tyler Helikson	Chapter President	Pi Kappa Alpha
Maureen Hollmeyer	House Corporation President	Delta Gamma
Greg Hunt	District Grand Master	Kappa Sigma
Bob Lamphier	Alumni Advisor	Pi Kappa Phi
Dr. Monica Leach	Assistant Dean/Alumnae Advisor	Delta Sigma Theta
Sharon McKinney	House Corporation President	Alpha Delta Pi
Kevin MacNaughton	Associate Vice Chancellor for Facilities	
John Mountz	Director of Greek Life	Phi Kappa Tau
Brooks Raiford	House Corporation President	Phi Delta Theta
Patricia Tector	Alumnae Advisor	Delta Zeta
Tim Zeller	House Corporation President	Sigma Chi

Additional Participants

Name	Position	Affiliation, if any
Chris Mangieri	Interfraternity Council President	Phi Gamma Delta
James Reed	Alumni Advisor	Phi Gamma Delta
Emily Blackwell	Greek Life intern	CERES
Scott Troutman	Alumni Advisor	Pi Kappa Phi
Jennifer Sparkes	Coordinator of Greek Life	Alpha Delta Pi

Project Consultants

Name	Position	Affiliation, if any
Mike Harwood	University Architect	
Lynn Swank	Office of the University Architect	
Sallie Ricks	Office of the University Architect	
Tom Skolnicki	Office of the University Architect	
Tom Hunter	Office of the University Architect	
Kathleen O'Brien	Office of the University Architect	
Kathy S. Hart	University Treasurer	Alpha Phi
Lori Johnson	Office of the University Treasurer	
Becky Bumgardner	Office of University Development	
Terry White	Office of Legal Affairs	
Bruce Forinash	University Cashier	
Ernie Murphrey	Associate Vice Chancellor, Financial Svcs.	
Sam Reynolds	Reynolds and Jewell PA	Pi Kappa Alpha
Lindsay Bute	DTW Architects	

Chancellor Oblinger charged the Task Force to consider the following issues:

- Investigation of a land-lease option that would allow chapters to build and manage privately owned houses on Greek Court.
- Development of a master plan for Greek Court that would utilize planning principles from the University physical Master Plan, especially those related to the neighborhood concept.
- Recommendations for best utilization of the existing houses on Greek Court now and in the future.
- Development of long-term financial strategies to fund improvements and on-going operations for Greek Court.

A copy of the Chancellor's appointment letter to the Task Force members is included in Appendix B.

IV. Task Force Activities and Timeline

The Task Force convened on May 2, 2006 and met regularly throughout the summer. Two consulting firms were selected to work with the Task Force. Reynolds & Jewell Landscape Architecture of Raleigh, NC was hired to study the existing property and develop a new conceptual land-use plan. DTW Architects of Durham, NC was hired to create a variety of conceptual house plans for different sized organizations. The two firms collaborated in the creation of the final conceptual master plan document. Funding to support this work came from the Vice Chancellor for Finance and Business and the Department of Greek Life. Six fraternity and sorority alumni/ae organizations provided an additional \$5100.

Task Force Meetings

Date	Time	Location
May 2, 2006	5:30 p.m.	Alpha Delta Pi
May 30, 2006	5:30 p.m.	Kappa Sigma
June 13, 2006	5:30 p.m.	Delta Zeta
July 18, 2006	5:30 p.m.	Pi Beta Phi
August 8, 2006	5:30 p.m.	Alpha Phi Alpha
August 29, 2006	5:30 p.m.	Alpha Delta Pi
September 18, 2006	5:30 p.m.	ES King Village Commons
October 30, 2006	5:30 p.m.	ES King Village Commons

Trip to University of South Carolina Greek Village

Date	Time	Location
May 17, 2006	8:00 a.m. – 6:00 p.m.	USC Greek Village

Land Use Planning Charrette

Date	Time	Location
June 24, 2006	8:30 a.m. – 12:30 p.m.	McKimmon Center

Greek Presidents Meeting

Date	Time	Location
August 22, 2006	10:00 a.m. – 1:30 p.m.	ES King Village Commons

Campus Open Forum to Share Recommendations

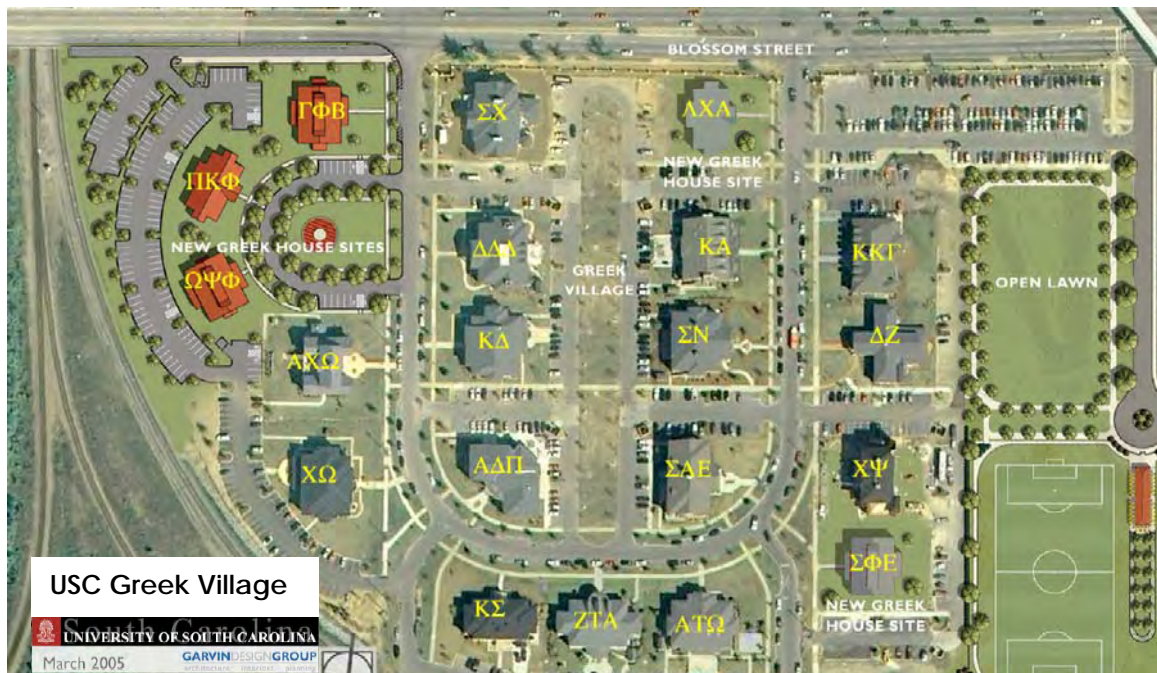
Date	Time	Location
September 25, 2006	6:30 p.m.	Talley Student Center Ballroom

V. University of South Carolina Greek Village

The Task Force visited University of South Carolina Greek Village. The trip provided an opportunity for the group to see an operating Greek housing project built on a land-lease model. The Task Force toured several houses and met with the Associate Vice President for Student Affairs and the Greek Life staff while there. Discussion included the development of the project from concept to build out, and its impact on the USC campus and community.

The University of South Carolina Greek Village is a community of individual fraternity and sorority houses located on the USC campus. The Village is a public/private partnership between the University and the individual fraternities and sororities who have chosen to participate in this project.

Prior to 2001, USC had no freestanding fraternity and sorority housing. Organizations were housed in University residence halls with limited common areas and meeting spaces. The University purchased land and developed the Greek Village area with a total of 23 available building lots. Fraternity and sorority house corporations, legally incorporated non-profit entities formed by local alumni/ae groups, lease individual lots from the University on long-term ground leases. These house corporations design and construct their houses on these lots. Four houses opened in the Fall of 2001 and 17 houses are currently open. Approximately six building lots remain with three of those yet to be allocated to a specific organization.



The chapter houses are residential in design and are either two or three-story buildings ranging in size from approximately 10,000 SF to 12,000 SF with sleeping capacities between 36 and 42 residents. Each chapter house has a unique design, but all include sleeping rooms of various designs, large rooms for dining or chapter activities, and nicely appointed common rooms for recreation, studying, or other student uses. All of the existing houses with one exception operate a commercial kitchen, and meal service is provided for all

organization members including those who do not reside in the chapter house. Cost for the construction of the facilities ranged from \$1.5 million to \$3 million.



The houses are considered University housing and operate in partnership with the University. Full-time resident house directors employed by the University live in and supervise each chapter house. All University rules and policies apply and the USC Division of Law Enforcement and Safety maintains jurisdiction. The University oversees parking and landscaping, and approves all building design. The City of Columbia also reviewed and approved all design and construction.

The University of South Carolina, prior to any construction, sought and received a letter ruling from the state tax commission that exempted all fraternity and sorority houses constructed in the new Greek Village from local property taxes. According to Dr. Jerry Brewer, Associate Vice President for Student Affairs, this was critical to the overall success of the project. If NC State houses are exempt from property taxes, the estimated annual cost savings would be in excess of \$20,000 per house.

More information can be found at: <http://www.sa.sc.edu/greeklife/housing.htm>.

VI. Land Lease Proposal

Perhaps the single most important aspect of the redevelopment effort is the creation of a land lease option. It is a priority for many fraternities and sororities to own their houses, therefore developing equity in their properties. A land lease on Greek Court will enable chapters to design, build, and operate their houses within the framework of University policies and procedures.

The basis for the proposed land lease is the document used for that purpose at the University of South Carolina. The USC lease has been reviewed by the NC State offices of Legal Affairs and Real Estate and has been converted to language that would be acceptable in the state of North Carolina (see Appendix C).

Highlights of the land lease are:

- The term of the lease will be 40 years with a renewal option for an additional 40 years. The lease amount will be \$1.00 per year.
- The land lease will be an agreement between the University and the alumni/ae house corporation for each chapter. The house corporation is a non-profit entity.
- Each house will have a full-time live-in House Director. That person will be a University staff member selected cooperatively by the University and the alumni/ae house corporation.
- The University Cashier will bill individual students for room and board charges. The University will retain funds to pay the House Director, and cover the cost of common services and other obligations. The University Cashier will then transfer the remaining balance to the alumni/ae house corporation each semester.
- Each chapter will pay an administrative fee of 2.5% of revenue each semester to help defray University billing and administration costs.
- Each chapter will deposit 5% of housing receipts into a maintenance, repair, and renovation account.
- University Policies, Rules, and Regulations, including the Code of Student Conduct, will apply to all houses on Greek Court regardless of ownership.
- NC State Campus Police and Fire Protection will have jurisdiction in all houses on Greek Court.
- If a chapter is unable or ineligible to live in its house, the chapter may lease that facility to another qualified student organization approved by the University.
- The University will provide telephone, data, and cable television services to each house according to the standard rate structure.

In addition to the conditions outlined in the land lease, the University and the Greek organizations will partner on other construction and operational issues.

- The alumni/ae house corporations and the University will share infrastructure costs incurred in this project.
- Each alumni/ae house corporation would be required to file a business plan with the University demonstrating the feasibility of constructing and operating a house on Greek Court.
- The University will administer many of the regular operations of Greek Court. For example, garbage pick-up and landscape maintenance would be managed by the University and billed to each chapter.
- University Transportation will operate all parking lots on Greek Court regardless of house ownership.
- Each house will have a parking lot but there will also be general parking areas for members, alumni/ae and visitors.

VIII. Land Use Plan

The Task Force determined that the current layout of Greek Court has several negatives that detract from that area and hinder the development of our Greek community. The current area was designed in the early 1960's. Since that time, significant development has occurred around the site that created a disconnected system of roads and a sense that Greek Court is hidden from the general public. Houses are set on one side of the street facing out. As a result, no house faces any other building and the land that is the interior common area is difficult to access and underutilized.

Consultant

Sam Reynolds of Reynolds & Jewell Landscape Architecture of Raleigh was hired to study this area and develop a conceptual plan for redevelopment. Sam is a graduate of the North Carolina State University College of Design and an alumnus of the Pi Kappa Alpha fraternity. Sam lived in the Pi Kappa Alpha house as a student so he brings a unique perspective to this project.

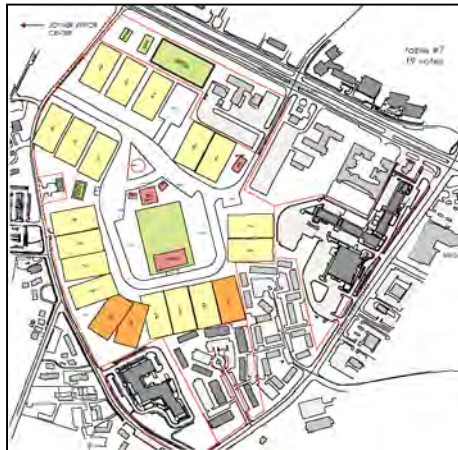
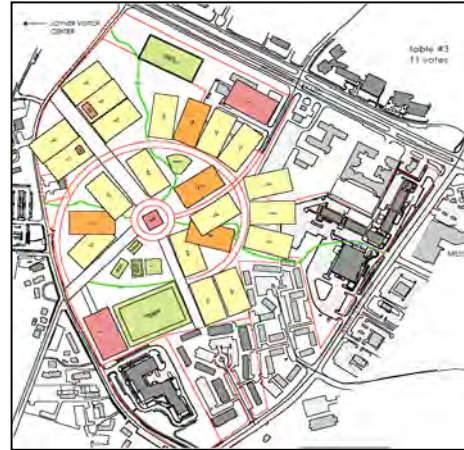
Design Charrette

The Task Force hosted a design charrette on June 24, 2006 at the McKimmon Center in order to solicit a broad range of ideas and preferences from our community. A charrette is a participatory exercise used by urban planners to identify community interests and desires. This information is then used to develop a conceptual land use plan. Nearly 70 students, faculty, and staff participated in the charrette. An attendance list is provided in Appendix A. The participants were broken into seven work groups that were led through a series of exercises by Sam Reynolds. The groups were asked to identify the components or concepts that would make a good fraternity and sorority housing community. Each group's list was presented to the large group, and the participants voted for their three top items. This exercise revealed three primary aspects:

1. **Community.** The new land plan should promote a strong sense of community among the chapters and students living in this area. The plan should include community gathering spaces and amenities that enhance the area and bring residents out of their individual houses.
2. **Appeal.** The plan and new construction should be visually appealing and entice people to want to live in and visit this area. The participants strongly stated a desire for this area to become not only a place for fraternity and sorority members to live and gather, but for it to also be a showpiece for the University community.
3. **Exposure/Desirable Destination.** The plan should focus on enhanced visibility so that people are aware of this vibrant part of our campus community. One step would be to connect this area to the rest of campus so that it feels completely integrated with the campus and surrounding area. This should include improved street and pedestrian paths that allow for ease of movement from this area to both Central and Centennial campuses as well as the surrounding sections of the City of Raleigh.



With these concepts in mind, the small groups then completed a design exercise where they each created a conceptual land use plan using a blank map of the area and various colored paper pieces that represented building lots, playing fields, parking lots, and other possible land uses. Each group then presented its design to the large group and the participants voted for their top three site plans.



Sam Reynolds took all of the information and site plans generated during the Greek Court Charrette and began synthesizing this into a series of conceptual designs for a new Greek Court. He developed a series of six concepts with each successive concept building and improving upon the previous iteration. The Task Force reviewed each of these concepts and provided feedback to assist in the refinement of the design. Concept 6 was shared with Greek council and chapter presidents for additional feedback and input. Finally, Sam developed a seventh concept that has been endorsed by the Task Force as the Greek Court Master Plan.

Greek Court Master Plan

The proposed redevelopment plan represents a completely new design for this area. It focuses on key aspects identified during the Charrette and seeks to maximize the number of sites and types of facilities constructed. Highlights of the plan are:

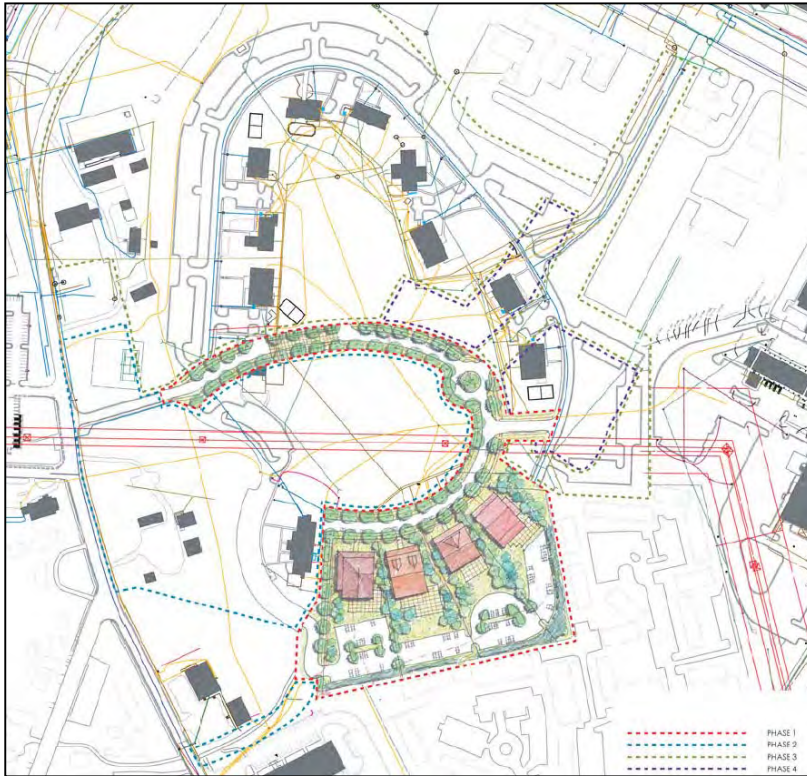
1. The new “front door” of Greek Court will be on Varsity Drive rather than the Dan Allen Drive Extension off Western Boulevard. This will take advantage of future plans for Varsity Drive to become a primary connector between Centennial and Central campuses. The plan calls for new roads to align with Marcom Street and the entrance to the Joyner Visitor Center.
2. The plan includes two green spaces. The larger of the two, noted as Greek Bowl, has a natural amphitheater space that could include a future stage or band shell for student organization use.
3. The plan also includes two proposed community shelters, ample space for informal recreational uses, and two architectural features at the entry points that define the space as Greek housing.
4. The second green space shows Greek Court Commons, a community center that could include flexible meeting space, a central mail center, the Greek Life offices, or other services. A proposed feature between the two areas would allow the street to be closed for special events. The community center would be highly desirable for those groups who do not have housing or who need additional space for special events.
5. The plan includes 20 lots for individual chapter houses. Sixteen of these lots could accommodate buildings as large as 40-person houses and four lots could accommodate 20 to 30-person houses. Lot sizes could be adjusted based upon the needs of the individual organizations.
6. There is also a multi-use lot that could accommodate construction of townhouse units by the University that would be rented to members of chapters who cannot or do not wish to build their own houses. This option may be particularly attractive to our historically African American or emerging cultural organizations whose membership generally ranges from four to 27 members. This location could also hold common amenities like a coffee shop, convenience store, and Greek-letter paraphernalia store.
7. Each house fronts on a common landscaped area with houses facing each other rather than away from each other as in the current layout. This promotes a sense of community and a feeling that there are direct connections between the residents of various houses.
8. The building lots are deeper than they are wide so that houses of various sizes and capacities can appear similar in scale from the street.
9. The plan includes ample parking behind each house as well as a space along the streets for parking. Parking during lunch, dinner, and special events will be critical to the organizations.
10. The plan incorporates a place for plots which are public features commonly created by and for the National Pan-Hellenic Council chapters. These could be gardens, benches or some other type of architectural feature that represents each individual NPHC chapter.

Greek Court Master Plan – Site Drawing

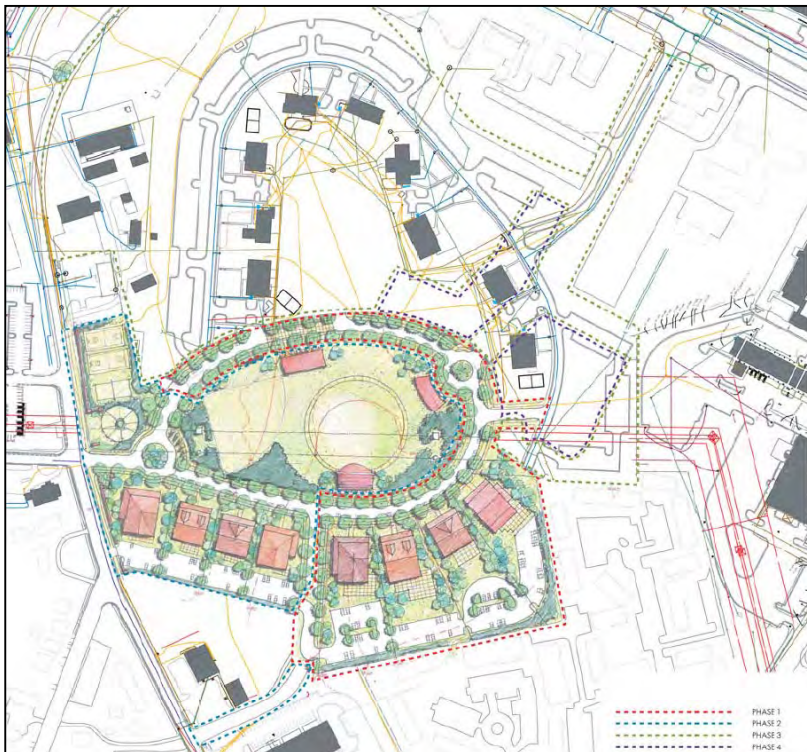


Project Phasing

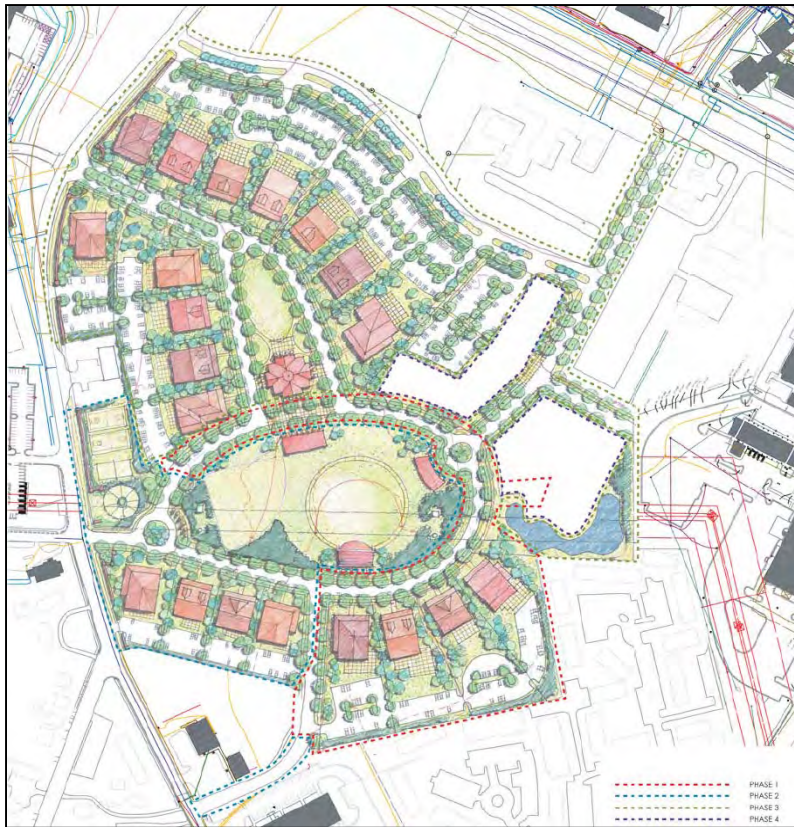
The project will be completed in four phases, described and pictured below.



Phase 1 – Three houses are demolished and four new house lots with utilities are created. The first section of the new street is constructed bisecting the existing open space and connecting the “horseshoe” of the existing Fraternity Court drive. Sidewalks will be installed on both sides of the new street.



Phase 2 – The sorority duplex and the Entomology field labs are demolished. Four new house lots with utilities are created. The Greek Bowl street is completed aligning the Court entrance with Marcom St. The Greek Bowl features an amphitheater with bandstand, two community shelters, and adaptable open space. Additional amenities are created including Greek Plots, two basketball courts, and a sand volleyball court.

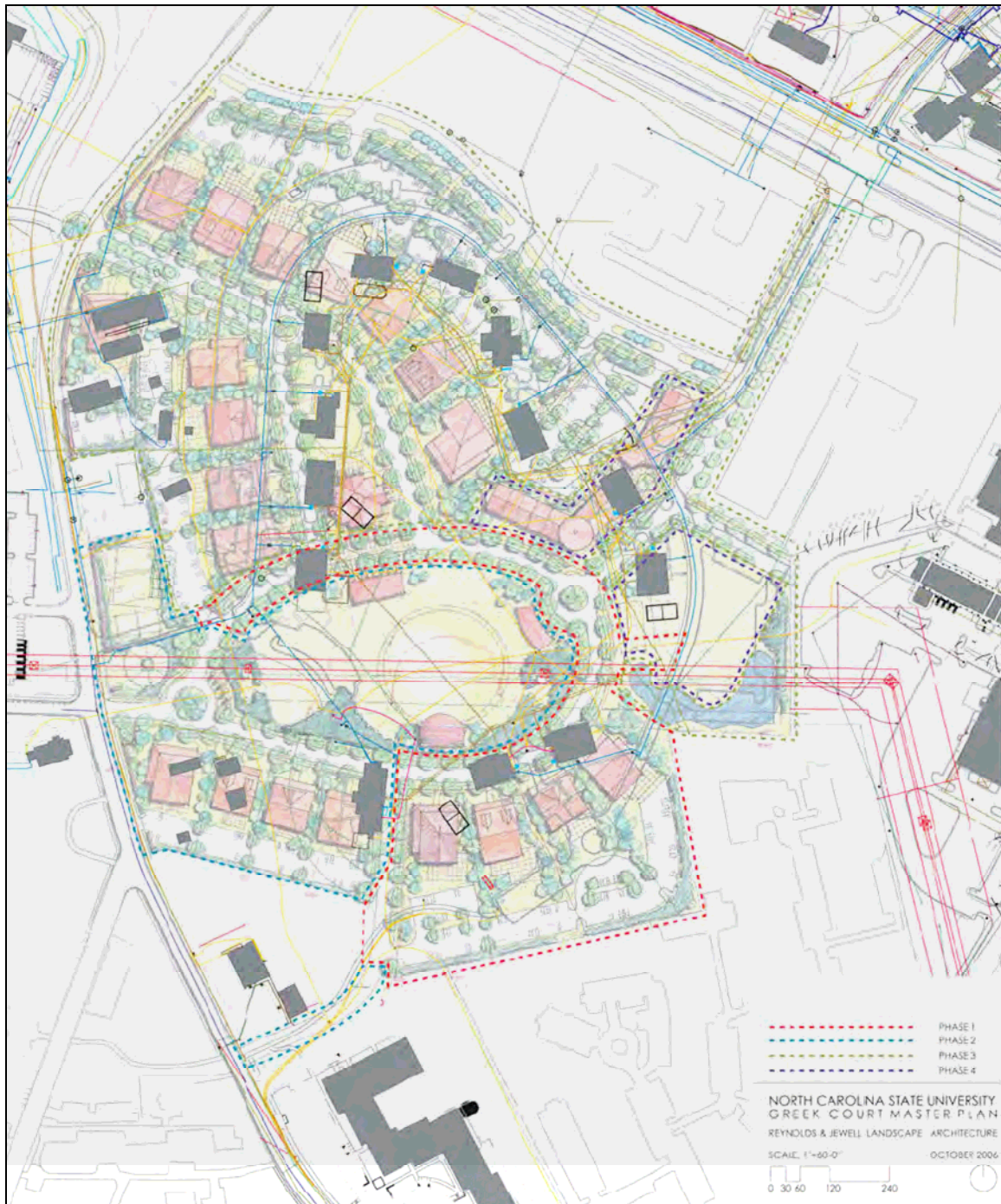


Phase 3 – The remaining nine houses and multiple University storage buildings are demolished. Twelve new house lots with utilities are created. New streets connecting Varsity Drive to the core of Greek Court and Dan Allen Drive are constructed. All pedestrian and vehicular connections are completed including Varsity Drive improvements. A Greek Commons building will front on the Greek Bowl with an open space/plaza.



Phase 4 – The final phase provides additional play fields and new rental housing. Townhouses are constructed adding 60,000 square feet of living space, and approximately 2.5 acres of open space is added along with another basketball court.

Overlay of New Greek Court with Existing Facilities



IX. Architectural Standards

Consultant

DTW Architects and Planners of Durham were hired as a consultant to the Task Force. DTW designed the Greek Court renovations completed over the last five years, so they were familiar with the area as well as programmatic needs of fraternities and sororities. Lindsey Bute represented DTW on this project.

University of South Carolina Greek Village

The Task Force was impressed with the USC Greek Village and worked to incorporate some of those concepts into architectural ideas for Greek Court at NC State. The goal was to develop unique building programs that would be compatible with NC State guidelines while allowing chapters to express their own design creativity.

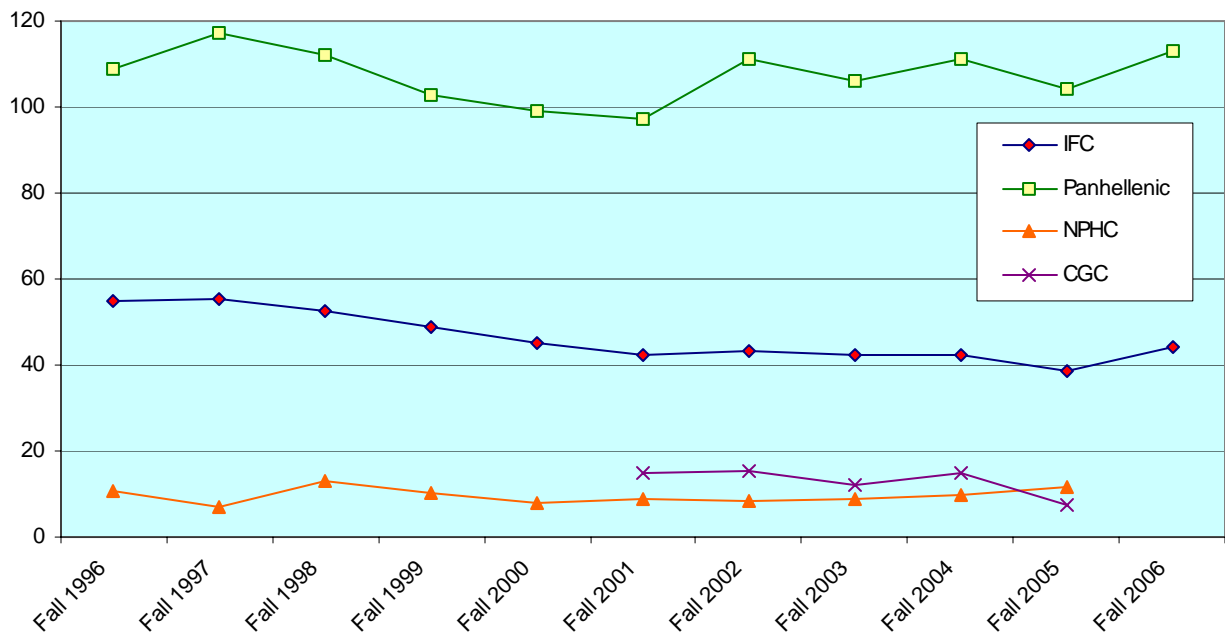
All chapter homes at USC are built for 40 residents and approximately 100 members of each organization regardless of the chapters' current or projected size. Exterior finishes of the houses vary from white siding to stucco to brick, causing some homes to look out of context in the village. Examples from Greek Village at USC are pictured below.



Program Needs of NC State Greeks

The Task Force was committed to creating an inclusive community and considered all organizations and the specific housing needs they might have. NC State's Greek community is comprised of four councils. The Interfraternity Council (IFC) is the oldest, comprised of 21 men's groups with an average chapter size of 45 and a range of 20 to 85 members. The Panhellenic Association (PA) is the second oldest, with seven women's groups averaging 113 and ranging from 95 to 115 members. The National Pan-Hellenic Council (NPHC) is comprised of five historically African American fraternities and four sororities and was the third to establish at NC State. NPHC has an average chapter size of 13 with a range of four to 27 members. The Collaborative Greek Council (CGC) is the most recent addition and has nine organizations. The average chapter size for CGC groups is eight with a range of two to 27 members.

Average Chapter Size per Council

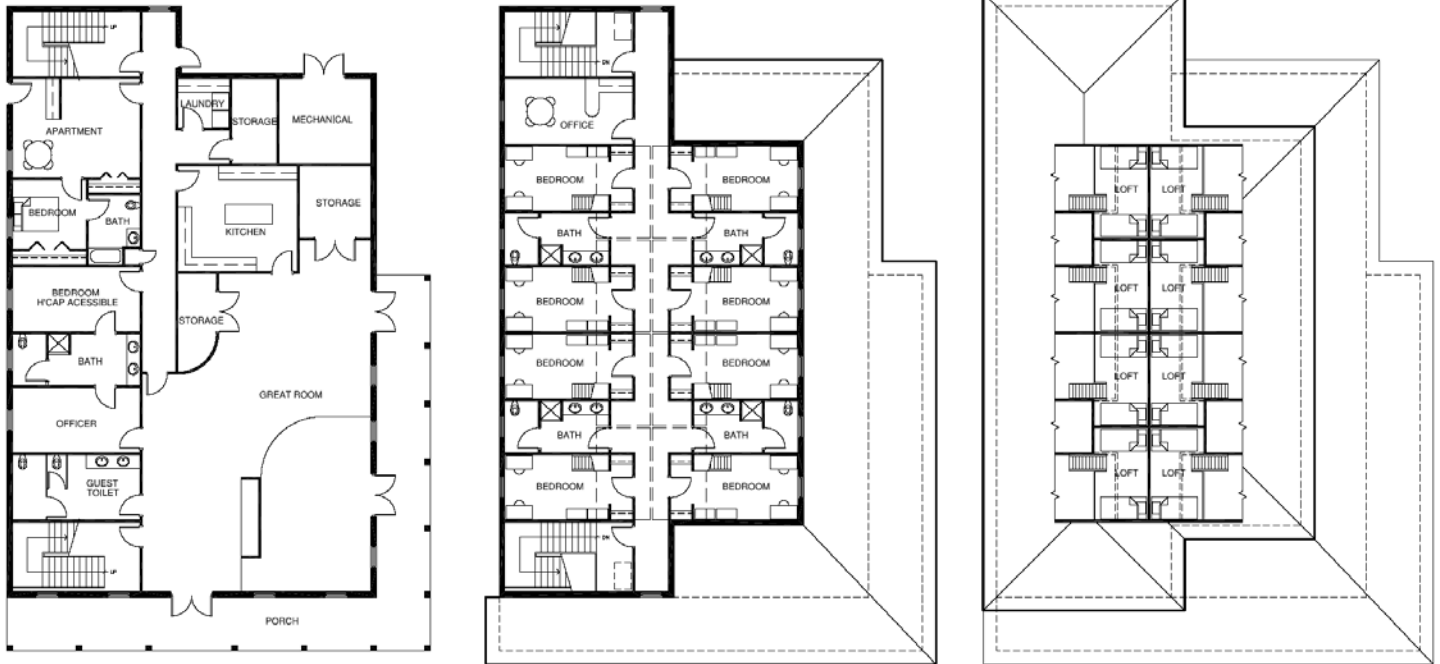


The Task Force worked with DTW to address issues of equity and design through architectural standards. One challenge was to develop a housing community to accommodate a wide range of chapter sizes. Our existing houses currently have a capacity of 36 to 40 beds per house with the exception of the Alpha Phi Alpha house that sleeps nine. This house is located on Varsity Drive and therefore is not overshadowed by the current structures. However, if this building were located next to the original houses it would appear out of place in size and scale.

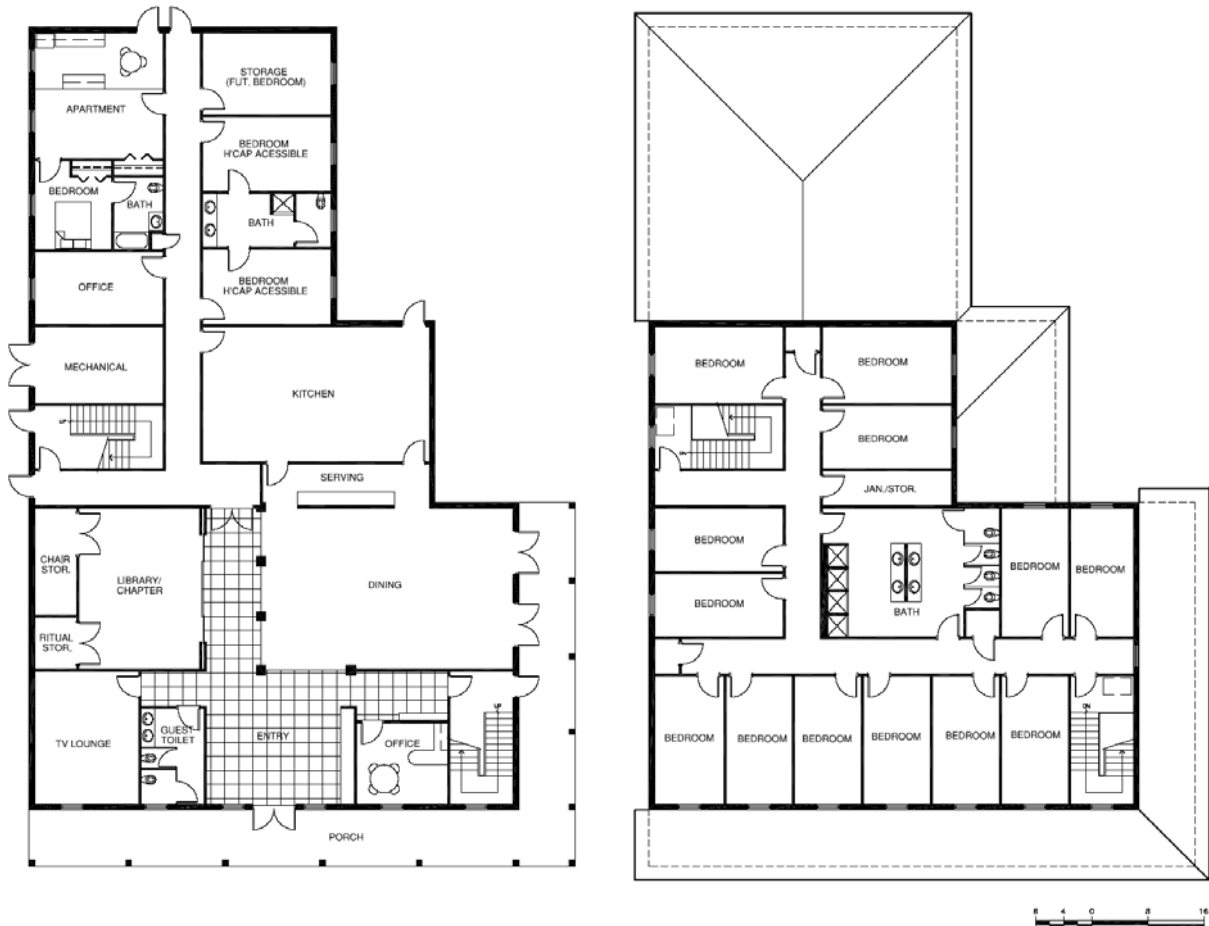
The Architectural Standards Committee created three example program sizes with building occupancies of 20, 30 and 40. Sample floor plans are pictured below, including estimated square footage. Construction costs are estimated at \$200 to \$225/sq.ft.

Renderings of Chapter House Floor Plans

Floor plan of house with 20 residents – 7,000 sq.ft.



Floor plan of house with 30 residents – 10,000 sq.ft.



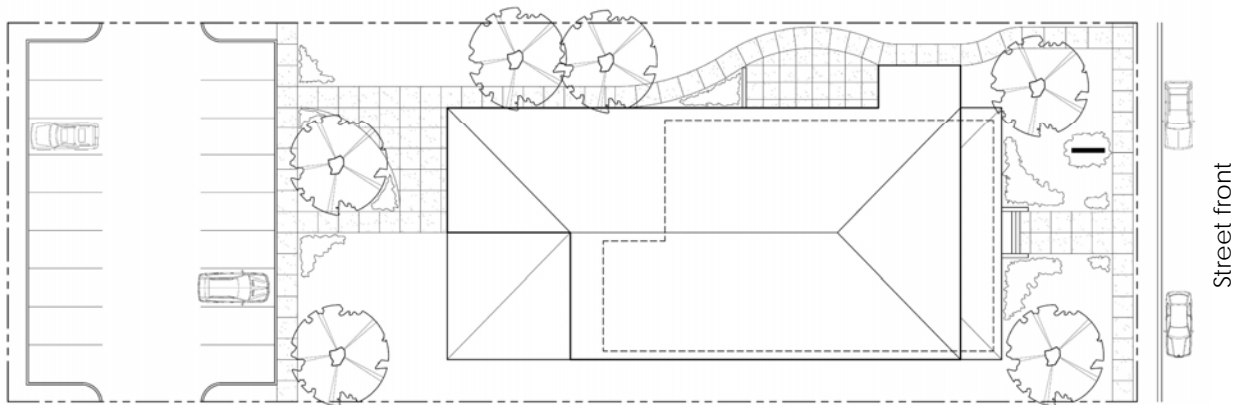
Floor plan of house with 40 residents – 14,000 sq. ft.



The committee also explored the concept of rental units for high-density housing; townhouses that would provide approximately four bedrooms for annual lease by either small, multicultural organizations, or by groups working on expansion efforts on campus that need incubator space to grow.

The next challenge was to develop the lot layout and building designs so that various sizes and types of houses would relate to each other. One idea was to pull inspiration from New Orleans and shotgun style housing, encouraging chapters to build deep on the lot instead of wide. This design would allow for all sizes of programs to coexist without creating a sense of inequity from the street front. The Land Use plan incorporated this idea by creating lots that will accommodate these houses.

The 20-person house is marked in the image below with an etched line, while the 40-person house is drawn with a solid line. As viewed from the street front, they take up nearly the same footprint.



With our oldest groups being 100+ years and our newest groups being less than one year, the ability to fundraise, regardless of chapter size, varies greatly among the organizations. Chapters could build a 20-person house initially, and then expand off the rear of the building as dictated by future needs and finances.

The high-density area housing is proposed as a townhouse project. The building could be two to three stories and constructed to be compatible with the surrounding houses. This facility would have approximately 10 to 12 units, a staff apartment, and possible space for amenities like a coffee shop, convenience store, and Greek-letter paraphernalia store.

Exterior Finishes

A significant issue that will impact the success of these new houses is the selection of exterior finishes. Issues include material and color selection, use of architectural features like columns or porches, and number of floors. Standards will be developed in cooperation with the University Architect in the next phase of this project that will address these issues.

X. Financial Issues

Existing Facilities

Greek Life operates 15 houses on Greek Court with 11 of these buildings currently occupied. The Department of Greek Life has spent approximately \$8 million to renovate 10 houses. These renovations were primarily financed with construction bonds, and the department will have approximately \$6.3 in outstanding debt as of June 30, 2007 with repayment scheduled for the year 2026. Rental income from existing houses will be necessary to pay off this debt, so these houses will have to be phased out over time.

Phasing will be important in the development of new housing. While some groups will be prepared to build almost immediately, others will need additional time to develop plans and raise money. We anticipate that the first phases of construction will be led by our older organizations that have significant alumni/ae support and a history of housing on our campus. Several other organizations that have expressed interest are relatively young, ranging from 2 to 25 years old, and do not have a large alumni/ae base from which to draw support. These groups will be more likely to build in later phases of the project.

The other critical issue is to use the existing houses to accommodate chapters during construction. Chapters must have viable housing while they are building their new houses, and there are no other alternatives on campus. For example, we could not close the existing houses for demolition and relocate the chapters on campus as usable space does not exist. Therefore, the need to maintain housing for chapters and our current outstanding debt mandates careful phasing of this project.

Continued Planning

The next step will be to hire a designer to develop detailed plans for the project. This plan will provide more accurate cost estimates, specific phasing schedules, and designs for infrastructure improvements. It would also identify specific building lots and be used for bidding the overall development of the infrastructure. This planning for Phase 1 will take six to nine months and cost approximately \$250,000.

Development Costs

This plan calls for a completely new layout for Greek Court that translates into a new system of roads, sidewalks, utilities, and parking areas. These infrastructure improvements will allow for the phased construction of new houses. The plan also calls for significant common amenities, new lighting and enhanced landscaping. The project will be developed in at least four phases.

Phase 1 – Three houses are demolished, and four new house lots with utilities are created. The first section of the new street is constructed. Sidewalks will be installed on both sides of the new street.

Phase 1	Cost	Anticipated Funding Sources
Basic Infrastructure	\$1,717,069	State funds and chapter assessments
Design, Contingency, Other Cost	600,672	
Amenities	25,000	Transportation
Design, Contingency, Other Cost	8,600	
Phase 1 Total Estimated Cost	\$2,351,341	

Phase 2 – The sorority duplex and the Entomology field labs are demolished. Four new house lots with utilities are created. The Greek Bowl street is completed aligning the Court entrance with Marcom St. Amenities are added including an amphitheater with bandstand, pavilions, Greek Plots, two basketball courts, and a sand volleyball court.

Phase 2	Cost	Anticipated Funding Sources
Basic Infrastructure	1,733,278	State funds and chapter assessments
Design, Contingency, Other Cost	606,248	
Amenities	2,213,500	Campus Recreation, Transportation, gifts, chapter assessments, Greek Court receipts
Design, Contingency, Other Cost	761,444	
Relocated Programs	1,000,000	State funds
Design, Contingency, Other Cost	344,000	
Phase 2 Total Estimated Cost	\$6,658,470	

Phase 3 – The remaining nine houses and multiple University storage buildings are demolished. Twelve new house lots with utilities are created. New streets, pedestrian connections, and a Greek Commons building will be constructed. Improvements to Varsity Drive are completed.

Phase 3	Costs	Anticipated Funding Sources
Basic Infrastructure	\$3,920,303	State funds and chapter assessments
Design, Contingency, Other Cost	1,368,584	
Amenities	224,000	Transportation, gifts, chapter assessments, and Greek Court receipts
Design, Contingency, Other Cost	77,056	
Greek Court Commons	5,000,000	Gifts
Design, Contingency, Other Cost	1,720,000	
Relocated Programs	1,000,000	State funds
Design, Contingency, Other Cost	344,000	
Phase 3 Total Estimated Cost	\$13,653,943	

Phase 4 – The final phase provides additional play fields and new rental housing. Townhouses are constructed, and approximately 2.5 acres of open space is added along with another basketball court.

Phase 4	Costs	Anticipated Funding Sources
Basic Infrastructure	\$185,870	State funds and chapter assessments
Design, Contingency, Other Cost	68,939	
Amenities	42,000	Campus Recreation, Transportation, gifts, chapter assessments, Greek Court receipts
Design, Contingency, Other Cost	14,448	
Greek Townhouses	9,000,000	Housing receipts
Design, Contingency, Other Cost	3,096,000	
Phase 4 Total Estimated Cost	\$12,407,257	

Total Greek Court Redevelopment

Project Totals	Construction Costs	Design, Contingency, Other Costs	Total Project Costs
Basic Infrastructure	\$7,556,520	\$2,644,446	\$10,200,963
Amenities	2,504,500	861,548	3,366,048
Greek Court Commons	5,000,000	1,720,000	6,720,000
Greek Townhouses	9,000,000	3,096,000	12,096,000
Relocated Programs	2,000,000	688,000	2,688,000
Total Estimated Cost	\$26,061,020	\$9,009,991	\$35,071,011

Note: This plan will require the demolition of some research and storage buildings located along Varsity Drive. The exact cost to relocate these facilities to other parts of campus has not been determined. All estimates are in 2006 dollars and do not account for inflation.

Anticipated Funding Sources

The redevelopment of Greek Court will require funding from a variety of sources. Anticipated funding sources include several campus partners. Campus Recreation could fund construction of play fields. Transportation may be able to defray the cost of transit stops. The townhouses would be funded as a traditional, self-liquidating, student housing project and would have a neutral impact on this project. The Greek Court Commons, community shelters, and amphitheatre could be constructed with a capital fundraising campaign.

The University and the Greek organizations will share infrastructure costs. The strategy for assessing those funds will need to be determined. Chapter assessments could be in lieu of property taxes, similar to the model for projects on Centennial Campus. For example, the participating organizations would pay an annual assessment to cover infrastructure costs based on the estimated ad valorem taxes on a comparable private property in Wake County. After the infrastructure construction costs are paid in full, the chapter assessment would be reduced to the amount needed to fund the upkeep, repair, and renovation of the common buildings and amenities.

Fundraising for Court and Individual Chapters

The University of South Carolina project was successful due in large part to significant financial support from Greek alumni/ae. In many cases, the alumni/ae house corporations constructed their houses with major financial gifts and in-kind donations. Throughout this process, NC State Greek alumni/ae have stated repeatedly their desire to contribute financially to this type of project. It is very important that alumni/ae house corporations have an ability to raise money through the University Foundation so that their members will enjoy the tax benefits of their donations.

In addition, there will need to be a significant fundraising effort to fund the construction of the common amenities. The proposed community center (Greek Court Commons building) would be a major opportunity for this type of capital fundraising. Greek Court revenues will not be sufficient to construct this facility or other major common amenities.

Operational Costs

The shift from University owned to organization owned facilities will present a unique challenge to the Department of Greek Life. While it will eventually reduce the overall financial burden to the University in terms of facility costs, it will also eliminate a significant revenue source that funds the Department. Specifically, the current rental revenue funds approximately 3.5 full-time professional, maintenance and support staff as well as a portion of three graduate service assistant positions. New sources of revenue will need to be found to insure that the Greek community continues to receive appropriate advising, services and oversight. The proposed land lease does include an administrative fee that will cover billings, collections, disbursements and general oversight of the Greek Court area. However, this will not fully replace the lost revenue.

A resident House Director employed by the University will staff each individual chapter house. These will likely be a blend of full-time and graduate student staff members and will be selected by Greek Life in consultation with the organizations. The funding for these positions will be deducted from revenue collected by the University Cashier's Office prior to disbursing payments back to the alumni/ae house corporations. There will be several common services shared by all participants in this project. For instance, lawn maintenance, trash removal and street lighting will need to be assessed to the organizations.

Billing and Collections

Each organization will set room and board rates based upon their individual financial plans, though they will be encouraged to keep their rates comparable to University Housing and University Dining rates along with local market housing rates. Charges will be placed on the students' Cashier's accounts, and the University will issue checks back to alumni/ae house corporations after administrative fees, house director compensation and any other charges are deducted.

XI. Summary

The Greek Court Redevelopment Task Force has spent a great deal of time and effort researching and discussing this issue. The Task Force has sought input from a large number of students, faculty, staff, and other interested constituents to ensure that all viewpoints have been heard and incorporated into this report. The Task Force firmly believes that the University should pursue redevelopment of Greek housing on campus. It is clear that the current rental facilities will not provide our organizations with the necessary tools for success in the future. It is also apparent that redevelopment will provide significant benefits for both the University and all NC State fraternities and sororities.

Benefits to the University

- The new houses constructed under the land lease option will be financed and operated by alumni/ae house corporations rather than the University, thereby relieving the institution of significant capital and on-going costs. This will eliminate the need to renovate the remaining five houses.
- This project will improve the visibility and quality of Greek housing on campus and fully integrate Greek Court into the fabric of campus.
- This will demonstrate a long-term University commitment to chapters and alumni/ae who have often questioned the level of this commitment.
- The University will have increased opportunities for alumni/ae involvement and financial support.
- The redevelopment will create a showpiece area of campus that enhances recruitment of new students and improves campus life overall.
- This project will be consistent with the University Campus Master Plan and will be the centerpiece of the South Campus precinct.

Benefits to the Fraternities and Sororities

- This option will allow alumni/ae house corporations to build equity in their properties and better control the costs of their housing operations.
- Fraternities and sororities will see increased alumni/ae involvement and financial support.
- Organizations will design houses to reflect their unique needs, program priorities, and preferences.
- All new houses will be designed to meet current building and life safety codes.
- Chapters will have enhanced ability to recruit new members and encourage members to live in their houses.
- Organizations will have the ability to offer a variety of meal service options in their houses.
- Townhouses will provide living and learning opportunities for chapters that currently do not have housing options.

Benefits to the City of Raleigh

- Enhance appearance of campus perimeter along Western Boulevard and Varsity Drive.
- Provide additional student housing on campus to address concerns expressed by neighborhood groups.
- Consistent with the City's plan for southwest Raleigh.
- Improve roadway and pedestrian connections with surrounding areas, including Mission Valley shopping center.

The redevelopment of Greek Court will signal the University's on-going commitment to supporting the organizations that choose to live on campus. If this redevelopment project is enacted, additional chapters will have opportunities to live on campus, and the entire fraternity and sorority community will benefit from an attractive, well-planned center of campus life.

XII. Recommendations

1. The University should endorse the Task Force plan to redevelop Greek Court and provide new campus housing opportunities for Greek organizations at NC State. Particular attention should be paid to including options for all sizes and types of organizations.
2. The University should adopt the land-use plan included in this report and incorporate it into the University's overall Campus Master Plan.
3. The University should seek approval for a land lease option that would allow alumni/ae house corporations to construct, manage, and own their chapter houses. These houses should operate cooperatively with and under the jurisdiction of the University. The University should determine how many commitments for houses are necessary for the project to proceed. A detailed phasing strategy should be developed.
4. The University should advocate on behalf of the Greek organizations to seek property tax relief for any new houses constructed on Greek Court.
5. The University should coordinate infrastructure expansion projects with the expected needs of the reconfigured Greek Court. The University and Greek organizations should share infrastructure costs. Common amenities should be funded in a manner similar to like facilities on campus. The relocation of academic units should be funded by the University.
6. The University should establish a process whereby alumni/ae can raise money for chapter house construction and the overall redevelopment of Greek Court through the NC State Foundation.
7. The University and the Greek organizations should continue to lease the existing chapter houses during the phased redevelopment of Greek Court. These houses will need to be demolished in the future in order to complete a full redevelopment of Greek Court.
8. The University should build townhouses on Greek Court for chapters that do not wish to construct houses under the land lease option. These facilities would support our historically African American or other cultural organizations as well as newer groups who lack the membership to support a large house.
9. The University should appoint a steering committee of students, alumni/ae, faculty, and staff who will guide the implementation of these recommendations. This group will oversee the development of architectural standards, participation guidelines, financing strategies, and operational issues.

Appendix A

Charrette Attendees and Agenda

Greek Court Charrette Agenda

Saturday, June 24, 2006

8:30 a.m. to 12:30 p.m.

NC State University, McKimmon Center, Room 1A

- | | |
|-----------|---|
| 8:30-8:45 | Attendee Arrival & Continental Breakfast |
| 8:45-9:05 | Welcome, Introductions, History and Background
John Mountz, Director of Greek Life
Greg Hunt, Kappa Sigma
Sharon McKinney, Alpha Delta Pi
Tim Blair, Associate Director of University Housing |
| 9:05-9:10 | Master Plan
Sallie Ricks, Chair, South Campus Precinct Master Plan Task Force |
| 9:10-9:25 | The Site
Sam Reynolds, Landscape Architect, Reynolds and Jewell PA |

The remainder of the Agenda will be executed in Small Groups and led by Sam Reynolds.

- | | |
|---------------|--|
| 9:30 – 10:00 | Activity #1: <ul style="list-style-type: none">• What are the most important aspects of a new Greek village? |
| 10:00-10:30 | Activity #2: <ul style="list-style-type: none">• What community activities and facilities can be shared within the Greek village?• What site features would you like to have associated with a Greek house? |
| 10:30 – 10:45 | Break |
| 10:45 – 11:00 | Recap of morning activities |
| 11:00–12:00 | Activity #3: <ul style="list-style-type: none">• How do you build a new Greek village? |
| 12:00-12:15 | Conclusion |
| 12:15-12:30 | Wrap up & Thank you |
-

Thank you to all of our volunteers who are serving as **Small Group Facilitators** today!

Adam Culley, CSLEPS
John Mountz, Greek Life
Sallie Ricks, University Architects Office
Tom Skolinicki, University Architects Office

Mindy Sopher, Department of Communication
Lynn Swank, University Architects Office
Zach Thomas, Greek Life

It's time to expect more.

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Thank you to **Centex Construction**
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Greek Court Charrette Agenda

Saturday, June 24, 2006

8:30 a.m. to 12:30 p.m.

NC State University, McKimmon Center, Room 1A

Today's Participants Include:

Lindsey	Bute	DTW Architects	Billy	Troxler	Kappa Alpha Order
Felicia	Baity	Multicultural Student Affairs	Greg	Hunt	Kappa Sigma/Task Force
Sallie	Ricks	Office Of University Architect	Christopher	Kontalonis	Kappa Sigma
Tom	Hunter	Office Of University Architect	Sam	Saunders	Kappa Sigma
Tim	Blair	University Housing	Wilson	White	Omega Psi Phi
Sharon	McKinney	Alpha Delta Pi/Task Force	Andrea	Atwell	Panhellenic Association
Kate	Whatley	Alpha Delta Pi	Dale	Meisenbach	Phi Delta Theta
Courtney	Simpson	Alpha Kappa Alpha	Lokesh	Patel	Phi Delta Theta
Ticola	Caldwell	Alpha Kappa Alpha	Brooks	Raiford	Phi Delta Theta/Task Force
George	Adams	Alpha Phi Alpha/Task Force	James	Reed	Phi Gamma Delta
Mark	Dennison	Alpha Phi Alpha	Lisa	Jeffries	Pi Beta Phi
Matt	Krause	Alpha Tau Omega	Ashton	Smith	Pi Beta Phi
George	Miller	Alpha Tau Omega	Matt	McLaughlin	Pi Kappa Alpha
Robert	Mouro	Alpha Tau Omega	David	Newsome	Pi Kappa Alpha
Ted	Van Dyk	Alpha Tau Omega	Bob	Lamphier	Pi Kappa Phi/Task Force
Billie	Jackson	CERES	Kyle	Nicholson	Phi Kappa Tau
Emily	Blackwell	CERES	Ken	Davis	Sigma Alpha Epsilon
Connie	Justice	Chi Omega	Roy	Neulicht	Sigma Alpha Mu
Kurt	Gilliland	Chi Psi	Penn	Shore	Sigma Alpha Epsilon
Andre	Little	Chi Psi	Will	Quick	Sigma Chi/Student Body President
Will	Ramsey	Delta Sigma Phi	Tracey	Samsam	Sigma Kappa
Chris	Turnau	Delta Upsilon	Bob	Bryan	Sigma Phi Epsilon/Task Force
Mindy	Sopher	Delta Upsilon	Ryan	Kirkendall	Sigma Pi
Brannan	Hackney	Delta Zeta	Pat	McKee	Sigma Pi
Maura	Anderson	Delta Zeta/Task Force	Sean	Lloyd	Theta Chi
Merritt	Brinkley	Delta Zeta	Eric	Lamb	Theta Chi
Grant	Culp	Farm House	Liz	Gutierrez	Theta Nu Xi
Chris	Mangieri	Interfraternity Council			

Charrette Planning Team:

Shelly Brown Dobek, Greek Life
Mike Harwood, Office of University Architect
Sallie Ricks, Office of University Architect
Tim Luckadoo, Associate Vice Chancellor for Student Affairs

Lynn Swank, Office of University Architect
Sam Reynolds, Reynolds and Jewell
Tom Skolinicki, University Architects Office

It's time to expect more.

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Appendix B

Greek Court Redevelopment Task Force

Appointment Letter

NC STATE UNIVERSITY

An Equal Opportunity/Affirmative Action Employer

919.515.2155 (phone)
919.515.5121 (fax)

March 28, 2006

TO: George Adams, Alumni Advisor, Alpha Phi Alpha
Maura Anderson, Former Panhellenic President, Delta Zeta
Bob Bryan, Alumni Advisor, Sigma Phi Epsilon
Howard Harrell, Director of Real Estate
Tyler Helikson, Chapter President, Pi Kappa Alpha
Maureen Hollmeyer, House Corporation President, Delta Gamma
Greg Hunt, District Grand Master, Kappa Sigma
Bob Lamphier, Alumni Advisor, Pi Kappa Phi
Monica Leach, Assistant Dean for CHASS/ Alumna Advisor, Delta Sigma Theta
Tim Luckadoo, Associate Vice Chancellor for Student Affairs, Sigma Phi Epsilon
Kevin MacNaughton, Associate Vice Chancellor for Facilities
Sharon McKinney, House Corporation President, Alpha Delta Pi
John Mountz, Director of Greek Life, Phi Kappa Tau
Brooks Raiford, Alumni Advisor, Phi Delta Theta
Patricia Tector, Alumna Advisor, Delta Zeta
Tim Zeller, House Corporation President, Sigma Chi

FROM: James L. Oblinger, Chancellor



SUBJECT: Greek Court Redevelopment Task Force

Greek letter organizations have been an integral part of student life at NC State University for more than 100 years. Greek Court has been home to many of our organizations for more than 40 years. The University is committed to our fraternities and sororities, and wants to continue to provide strong support to those groups.

While Greek Court has served us well, it is time to examine our current operations there and find ways to enhance student housing options in the future. We are committed to keeping that area dedicated to Greek housing, and would like to find ways to provide additional options and to further develop facilities for gathering, recreation, and other student life.

I would like for you to serve on a Greek Court Redevelopment Task Force. This group will work to develop plans and proposals to make Greek Court a more attractive and viable community. Among the issues to consider will be:

-Investigation of a land-lease option that would allow chapters to build and manage privately-owned houses on Greek Court.

-Development of a master plan for Greek Court that would utilize planning principles from the University Physical Master Plan, especially those related to the neighborhood concept.

Memorandum-Greek Court Redevelopment Task Force

March 28, 2006

Page 2

-Recommendations for best utilization of the existing houses on Greek Court now and in the future.

-Development of long-term financial strategies to fund improvements and on-going operations for Greek Court.

Tim Luckadoo will chair this task force with Greek Life and the Office of Finance and Business providing technical and operations support. Your report and recommendations should be presented to Vice Chancellors Charles Leffler and Thomas Stafford for consideration.

I appreciate your willingness to serve on this very important group. The University wants to see our Greek letter organizations thrive, and your efforts will help to ensure that students in these organizations have a home on campus for many years to come.

/am

Attachment

cc: Charles D. Leffler
Thomas H. Stafford, Jr.

Appendix C

DRAFT

Greek Court Land Lease Document

STATE OF NORTH CAROLINA

GROUND LEASE – Draft

COUNTY OF WAKE

This Ground Lease ("Lease") is made and entered into this ____ day of _____, 200____, by and between the **STATE OF NORTH CAROLINA**, a body politic and corporate ("Lessor"), and, _____, a not for profit corporation organized and existing under the laws of the State of _____("Lessee").

THAT WHEREAS, the execution and approval of this Lease by the State have been duly approved by the Governor and the Council of State of the State of North Carolina at a meeting of the Council of State duly called and held in the City of Raleigh, North Carolina on _____; and,

WHEREAS, North Carolina State University ("NC State" or "the University") has approved this Lease; and,

WHEREAS, the parties hereto have mutually agreed to the terms of this lease agreement as hereinafter set out;

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1. DEMISE OF PREMISES

1.01 Premises: Lessor, for and in consideration of the rents, covenants, and conditions herein contained to be kept, performed and observed by Lessee, does lease and demise to Lessee, and Lessee does rent and accept from Lessor, the real property described in Exhibit A attached hereto and incorporated herein by reference ("Premises"). The Lessor hereby reserves unto itself, its successors and assigns, non-exclusive easements in, through, across and under the Premises for certain purposes, including but not limited to, any transit system operated by the University and for repairing, maintaining and reconstructing above-ground and underground utilities and improvements necessary and appropriate for development of Greek Court. Utilities shall include, but not be limited to, water, sewer, storm sewer, irrigation systems, electrical power, gas lines, steam lines, telephone lines, cable television lines, fiber optic cable and such other future services or utilities as may be appropriate for the functioning and development of Greek Court. Lessor, its successors and assigns shall perform such work using commercially reasonable efforts to limit disturbances to Lessee, and shall restore, as nearly as possible, the disturbed and surrounding areas to their original condition, such restoration to include, without limitation, the backfilling of trenches, replacement of sidewalks, pavement, curb and gutter, and the replacement of

shrubby and landscaping, including the reseeding or resodding of lawns or other disturbed areas as needed.

1.02 Quiet Enjoyment: Lessor hereby covenants that the Lessee shall have quiet enjoyment of the Premises under the terms and conditions of this Lease.

ARTICLE 2. LEASE TERM

2.01 Commencement and Expiration Date: The term of this Lease shall be for a period of forty (40) years, commencing on the ____ day of _____, 200__, and expiring on the ____ day of _____, 20____ ("Lease Term"). This Lease shall be renewable for an additional forty (40) years under the same terms and conditions set forth herein upon the mutual written consent of Lessor and Lessee.

2.02 Termination: Subject to the provisions below, this Lease shall terminate automatically (a) upon expiration of the Lease Term, (b) upon the corporate dissolution of Lessee (which, in the event of an administrative or judicial dissolution shall include the denial of any and all appeals for reinstatement), or (c) in the event the fraternity affiliated with Lessee (the "Fraternity") is expelled from NC State or the University otherwise withdraws formal recognition of the Fraternity for cause, upon completion of all University administrative appeals by the Fraternity for reinstatement. The Fraternity and its members shall have thirty (30) days to vacate the Premises upon completion of all University administrative appeals and following written notice from Lessor.

Provided, however, notwithstanding the above provisions, this Lease shall not terminate pursuant to subsection (c) if within one (1) year of the date of expulsion or withdrawal of the Fraternity (i) Lessee enters into a new sublease agreement for the Premises with another Greek organization formally recognized and in good standing with the University, or with another University affiliated organization acceptable to Lessor, and that the new sublease agreement provides in part that sub lessee's rights under it are subject and subordinate in all respects to all of the terms and provisions of this Lease, or (ii) if Lessee should fail to secure a sublease with any such organization, Lessor may, but shall not be required to, lease the Premises back from Lessee at a fair market rate so that all rooms in the Premises shall be available for rent to full-time students registered at the University. Lessor agrees that, prior to exercising the right of termination or any other remedy under this Article, Lessor shall provide the mortgagee of the Premises with written notice of intent to terminate, and such mortgagee may effect a cure of any breach or default within the same period of time provided to Lessee to effect a cure of any breach or default.

ARTICLE 3. RENT, TAXES AND UTILITIES

3.01 Annual Rent: Lessee agrees to pay to Lessor as rent for the Premises the sum of One and 00/100 (\$1.00) Dollar per year, payable annually, in advance. Lessor acknowledges receipt of the sum of One and 00/100 (\$1.00) Dollars as payment in full of the rent due for the Lease Term.

3.02 Lessee to Pay Taxes: Lessee agrees to pay all ad valorem taxes, special taxes, or assessments, including street improvement liens, if any, levied or assessed upon or against the Premises during the Lease Term, or any taxes arising from the Premises as a result of the improvements or other activity of Lessee on the Premises.

3.03 Lessee to Pay Utility Charges: Lessee shall pay or cause to be paid in a timely manner upon receipt of bill or invoice all charges for water, heat, gas, electricity, sewers, and any and all other utilities used upon the Premises throughout the Lease Term, including any connection fees.

ARTICLE 4. USE OF PREMISES

4.01 Use of Premises: Lessee shall have the right to use the Premises solely for the construction and occupancy of a _____ fraternity/sorority house ("Chapter House") for the use of its members who are eligible to live in Greek Housing at NC State, and the Premises and Chapter House shall not be occupied by others except as otherwise provided in this Lease. The Lessee shall use the Chapter House primarily for the holding of Fraternity meetings and the conduct of its business. No other improvements or fixtures shall be located, constructed or erected on the Premises without the express written consent of Lessor.

4.02 Compliance With Laws, Policies, Rules and Regulations: Lessee, the Fraternity, and its members, alumni and guests, while on the Premises or making use of the Chapter House, shall abide by and comply with all ordinances of the City of Raleigh, laws of the State of North Carolina, laws of the United States, and all the policies, rules and regulations adopted by NC State, including, but not limited to, the University's *Guidelines for Greek Housing* and the *Code of Student Conduct*, as the same may be amended from time to time.

4.03 Signs: Lessee shall neither erect nor maintain upon the Premises or the Chapter House any signs of any nature whatsoever without prior written approval of Lessor, which approval shall not be unreasonably withheld, conditioned or delayed.

4.04 Room Agreements: Lessee shall enter into room agreements with each student living in the House for each semester. The room agreements shall provide that the student's failure to make his/her lease payments shall cause the student's University Account to be placed on Hold, which may affect the student's ability to take classes or

use University facilities. NC State will not bill a student pursuant to §13.03 of this Lease unless and until NC State's Office of Greek Housing is in possession of a copy of the executed room agreement referenced in this paragraph.

ARTICLE 5. CONSTRUCTION BY LESSEE

5.01 Lessee's Right to Build -- General Conditions: Lessee shall have the right during the Lease Term to construct, maintain, alter, remodel, or reconstruct a Chapter House on the Premises, subject to the provisions of this Lease and to the following conditions: (a) the cost of any such construction, alteration, reconstruction, demolition, or of any change, alteration or improvements shall be borne and paid for by Lessee; (b) the Premises shall at all times be kept free of mechanics' and materialmen's liens as hereinafter more specifically provided; (c) building plans with complete architectural drawings and specifications for any original or subsequent construction, alteration, remodeling or reconstruction of the Chapter House must be approved in writing by Lessor prior to the commencement of any such construction, alteration, remodeling or reconstruction, must comply with all applicable building and fire codes, and must incorporate a fire sprinkler system into the design; (d) the Chapter House constructed by Lessee must provide adequate space for no fewer than twenty (20) full-time residents; (e) Lessee shall install and maintain a fire alarm system that complies with all applicable codes, laws and regulations of the City of Raleigh, the State of North Carolina, and NC State. Lessee's fire alarm system shall connect directly with University Public Safety; and, (f) the North Carolina Department of Insurance and the North Carolina Department of Administration; Office of State Construction shall review the building plans.

5.02 Performance and Payment Bonds: Lessee shall provide security for the completion of the Improvements, and all change orders or alterations thereto and for the payment in full of claims of all persons for work performed in or materials furnished for construction by providing payment and performance surety bonds in form and issued by corporate surety, reasonably acceptable to Lessor, in an amount equal to the cost of each improvement.

5.03 Commencement of Construction: Lessee shall commence construction of a Chapter House on the Premises within eighteen (18) months of the date hereof. If Lessee fails to commence construction within such time, then this Lease shall automatically terminate unless renewed in writing by Lessor and Lessee.

5.04 Lessee's Ownership of Improvements and Fixtures: It is expressly understood and agreed that the Chapter House and any and all other improvements and fixtures constructed, placed or maintained upon any part of the Premises shall be and remain the property of Lessee, except parking lots or as otherwise provided herein.

5.05 Lessee Prohibited From Removing Improvements and Fixtures:

Lessee shall not have any right at any time without the prior written permission of Lessor to remove the Chapter House or any other improvements or fixtures from the Premises. Items not to be considered as improvements or fixtures must be mutually agreed upon by the parties and specified in an addendum to this Lease.

5.06 Expiration of Lease Term: At the expiration of the lease term, the Lessor shall, in its sole discretion, have the right to: take possession of the improvement at no cost; ask Lessee to demolish the improvements; or, renew the lease agreement for an additional term.

5.07 Purchase or Lease of Improvements by Lessor: In the event this Lease is terminated for any reason, whether by operation of law or otherwise, before the end of the Lease Term, Lessor shall have the following rights:

(a) Lessor shall have the first right to purchase the Chapter House and any and all other improvements and fixtures erected by Lessee on the Premises at fair market value, less the reversionary interest. Fair market value shall be determined by agreement of Lessor and Lessee, or if no agreement can be reached, by a board of three (3) appraisers, one of which shall be selected by Lessor, one of which shall be selected by Lessee, and one of which shall be selected by the first two appraisers selected by Lessor and Lessee; provided, however, there shall be deducted from any amount payable to Lessee the amount of any outstanding debts owed to Lessor or NC State, and all costs and expenses incurred by Lessor as a result of the termination; provided, further, that Lessee shall execute such instruments as are reasonably necessary to convey to Lessor all of Lessee's right, title, claim and interest in this Lease, the Premises, and all improvements and fixtures thereon. Lessor shall advise Lessee of its intent to enter into negotiations for the purchase of the Chapter House and any other improvements and fixtures on the Premises within sixty (60) days from the effective date of termination of this Lease; or

(b) Lessor shall have the first right to negotiate a lease for the use of the Chapter House and any other improvements or fixtures on the Premises upon mutually agreeable terms and conditions. Lessor shall advise Lessee of its intent to enter into negotiations for the lease of the Chapter House and any other improvements and fixtures on the Premises within sixty (60) days from the effective date of termination of this Lease.

(c) In the event Lessor elects not to purchase or lease the Chapter House and other improvements and fixtures on the Premises, Lessor shall retain the right to approve Lessee's sale or lease of the Chapter House and other improvements and fixtures on the Premises to any other individual, partnership, corporation or entity, such approval not to be unreasonably withheld, it being expressly agreed and understood by the parties that the Premises are an integral part of the Greek Housing community

being established by Lessor and NC State and that the sale or lease of the Chapter House to any entity other than another Greek organization formally recognized and in good standing with the University, or a University-affiliated organization, would be inconsistent with the University campus environment. Lessor shall enter into a ground lease with Lessee's purchaser or sub lessee upon substantially the same terms and conditions contained in this Lease. Notwithstanding the foregoing, Lessor may limit the lease term of any such ground lease to the unexpired Lease Term of this Lease at the time of termination.

ARTICLE 6. ENCUMBRANCE OF LEASEHOLD ESTATE

(a) Nothing contained in this Lease shall be construed to prevent Lessee from executing a mortgage on the leasehold estate created hereby to secure a loan to construct, make additions to, refurbish, or repair the Chapter House situated on the Premises. Before any encumbrance of the Chapter House or leasehold estate can take place, however, Lessee must obtain consent from Lessor in writing to encumber Lessee's leasehold estate. In no event shall Lessee encumber Lessor's fee interest in the subject property. However, Lessor acknowledges that Lessee may require construction and term financing for the Chapter House and Lessor will not unreasonably withhold, condition or delay its approval for the mortgaging of Lessee's Chapter House or leasehold estate for such purposes. Such approval shall also include Lessor's consent to a collateral assignment of Lessee's rights under this Lease to Lessee's mortgagee. In the event of a default hereunder, Lessor shall not pursue any remedies against Lessee or against the Leased Premises until Lessee's mortgagee has been given notice of such default and the right to cure such default within thirty (30) days of such notice (or a longer period of time when a cure is not practical within such period and Lessee's mortgagee has commenced curative efforts and is diligently pursuing the same).

(b) Should a default under Lessee's note or other security instrument occur and the holder(s) thereof elect to foreclose same, Lessee agrees that, upon termination of the Lease, any such holder(s) shall be subject to Lessor's rights as set forth in Article 5.07 herein. No lender or holder of any security instrument shall have the right to assign its rights under this Lease without the prior written consent of Lessor, which shall not be unreasonably withheld, conditioned or delayed. Provided, however, Lessor acknowledges that Lessee's mortgagee may require a collateral assignment of Lessee's rights under this Lease as security for any financing to be provided for the Chapter House. In the event Lessee defaults hereunder, and fails to cure such default during any applicable cure period, Lessee's mortgagee may (a) effect a cure of such default as provided herein, (b) enter upon, take possession, and operate the Premises as Student Housing and proceed to perform any and all obligations of Lessee contained in this Lease, and (c) exercise any and all rights of Lessee herein contained as fully as Lessee itself could. The rights of Lessee's mortgagee under this

Paragraph shall not exceed those of Lessee and are expressly subject to the rights of Lessor as set forth in this Lease.

ARTICLE 7. REPAIRS, RESTORATION, GREEK HOUSING ASSOCIATION

7.01 Lessee's Duty to Repair Chapter House: Lessee, at Lessee's own cost and expense, at all times during the Lease Term, agrees to keep and maintain, or cause to be kept and maintained, the Chapter House and all improvements which may be erected upon the Premises in a safe condition and a good state of appearance and repair, reasonable wear and tear excepted. In the event Lessee fails to keep and maintain the Chapter House and other improvements in a safe condition and a good state of appearance and repair, Lessor may, upon seven (7) days written notice to Lessee, cause to be conducted such maintenance and repair, at the expense of Lessee, which amount so expended shall be immediately due and payable from Lessee to Lessor as additional rent hereunder.

7.02 Destruction of Chapter House -- Option to Repair or Terminate: If Lessee's Chapter House is destroyed during the Lease Term, Lessee may either (a) commence within sixty (60) days and diligently pursue to completion the repair or reconstruction of the Chapter House, and this Lease shall remain in full force and effect, or (b) terminate this Lease upon thirty (30) days notice to Lessor, in which case the provisions of Article 5.05 shall govern the disposition of the Chapter House; provided, however, should Lessor elect to purchase the Chapter House pursuant to Article 5.07(a), it is understood and agreed that Lessee shall be responsible for all costs of demolition or repair necessitated by the damaged condition of Chapter House.

7.03 Greek Housing Association: Lessee shall be obligated to join the NC State Greek Housing Association ("Association") and pay in a timely manner the fees established and assessed by the Association for garbage collection, landscape maintenance, and other services applicable to the Premises deemed necessary and appropriate by the Association to ensure that the Premises are maintained in a safe condition and in a good state of appearance.

ARTICLE 8. LIENS

8.01 Prohibition of Liens on Fee or Leasehold Interest: Lessee shall not suffer or permit any mechanics' liens or other liens to be filed against the fee of the Premises or against Lessee's leasehold interest in the Premises nor any buildings or improvements on the Premises by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Lessee or anyone holding the Premises or any part thereof through or under Lessee.

8.02 Removal of Liens by Lessee: If any such mechanics' liens or materialmen's lien or other lien shall be recorded against the Premises or any

improvements thereof, or against Lessee's leasehold interest, Lessee shall cause the same to be removed or, and in the alternative, if Lessee in good faith desires to contest the same, Lessee shall be privileged to do so, but in such case Lessee hereby agrees to indemnify and save Lessor harmless for all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure upon said lien, cause the same to be discharged and removed prior to the execution of such judgment.

ARTICLE 9. CONDEMNATION

9.01 Interests of Parties on Condemnation: In the event the Premises or any part thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain by any authority other than by Lessor, its successors, or assigns, the interests of Lessor and Lessee in the award or consideration for such transfer and the effect of the taking or transfer upon this Lease shall be as provided by this Article 9.

9.02 Total Taking -- Termination: In the event the entire Premises are taken or so transferred, this Lease and all of the right, title and interest thereunder shall cease on the date title to such land so taken or transferred vests in the condemning authority, and the proceeds of such condemnation shall be divided between Lessor and Lessee with the fair market value, less the reversionary interest of the Premises paid to Lessor, and the remainder of the proceeds paid to Lessee.

9.03 Partial Taking Condemnation Termination: In the event of the condemnation, taking or transfer of only a portion of the Premises, leaving the remainder of the Premises in such condition, form, shape, or reduced size as not to be reasonably and practicably usable for the operation thereon of Lessee's Chapter House, at Lessee's option and by giving thirty (30) days' written notice to Lessor, Lessee may cancel and terminate this Lease, effective as of the end of such thirty (30) day notice period, subject to the provisions of Article 5.0 7 above.

ARTICLE 10. ASSIGNMENT AND SUBLEASE

Except as provided in Article 2.02 and Article 6.01, Lessee shall not assign, convey, or transfer Lessee's leasehold interest in the Premises or in this Lease without the prior written consent of Lessor. No assignment or subletting shall relieve Lessee from any of its obligations hereunder, and every assignment or sublease shall recite (a) that it is and shall be subject and subordinate to the provisions of this Lease, and (b) that the termination or cancellation of this Lease shall constitute a termination and cancellation of such assignment or sublease.

ARTICLE 11. INSURANCE AND INDEMNITY

11.01 Insurance: Lessee shall obtain prior to commencement of any construction activities on the Premises, and maintain thereafter throughout the Lease Term, a policy of general liability insurance in the amount of Two Million and 00/100 (\$2,000,000) Dollars from a reputable insurance company, licensed to do business in the State of North Carolina and approved by Lessor. The general liability insurance shall insure and protect Lessee, Lessor, NC State and its Board of Trustees, officers, agents and employees, as named insureds, from any and all liability and damages arising from Lessee's occupancy or use of the Premises or from the construction or operation of a Chapter House on the Premises. A copy of the general liability insurance policy shall be supplied to Lessor prior to the commencement of construction of the Chapter House, and a certificate of insurance evincing the continued existence of such insurance shall be supplied to Lessor annually thereafter. Lessee shall also obtain and maintain throughout the Lease Term a hazard insurance policy from a reputable insurance company, licensed to do business in the State of North Carolina and approved by Lessor in an amount sufficient to cover the full replacement value of all improvements on the Premises. A copy of the hazard insurance policy shall be supplied to Lessor prior to the occupancy of the Chapter House, and a certificate of insurance evincing the continued existence of such insurance shall be supplied to Lessor annually thereafter.

11.02 Indemnity: Lessee agrees to indemnify and to hold harmless Lessor, NC State, its Board of Trustees, officers, agents and employees from any and all debts, claims, actions, causes of action, fees and expenses, including attorney fees, and any other liability of any nature whatsoever, it or they may incur or suffer as a result of the negligence, misfeasance, malfeasance or nonfeasance of Lessee or any of its members, guests, contractors, subcontractors, employees, officers or agents, occurring or arising during the Lease Term.

ARTICLE 12. DEFAULT AND REMEDIES

If Lessee defaults in its performance of any of the covenants, conditions, agreements, or undertakings contained herein, and such default continues for thirty (30) days after written notice from Lessor (subject to a reasonable extension if a cure is not practical during such period and Lessee has commenced cure and is diligently pursuing the same), or if Lessee should fail to cause the Premises to be occupied and used as stated herein (including the alternative uses stated in Article 2.02), then, subject to the notice and cure rights of any mortgagee as stated in Article 6.01, Lessor may exercise any rights or remedies it has at law or in equity against Lessee including but not limited to the right to remove and eject Lessee and all persons occupying any part of the Premises, and Lessor shall be entitled to terminate this Lease.

ARTICLE 13. GENERAL PROVISIONS

13.01 Conditions and Covenants: All of the provisions of this Lease shall be deemed to run with the land, and construed to be "conditions" as well as "covenants" as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

13.02 University Telephone, Data and Cable Services: If said services are available from Lessor, Lessee shall purchase telephone, data, and cable television services through Lessor. Lessee shall construct all Chapter House bedrooms to enable the occupants to access Lessor's telephone, data and cable systems. Lessee shall pay Lessor for telephone, data, and cable television services at the same rates charged by the Lessor to students living in University residence halls.

13.03 Billing for Room and Board: Students living in the Chapter House shall pay for room and board through the University. If a student purchases a meal plan connected with Lessee's fraternal organization, then the student shall be exempt from the requirements of any other University meal plan to the extent approved by the University's Greek Housing Committee. Lessee shall forward fall semester room and board bills to the University no later than June 15, spring semester room and board bills no later than October 15, and summer room and board bills no later than April 1. The University shall bill the students directly upon receipt of bills from Lessee. The University will forward to Lessee receipts for Fall semester bills no later than October 1, for Spring semester bills no later than February 1, and for Summer bills no later than August 1; provided, however, the University shall withhold from such receipts any amount due and owing the University pursuant to this Lease. Lessee shall also pay an administrative fee equal to X% of the gross billing each semester. Lessee shall pay the administrative fee within 30 days of receiving the University's invoices. Neither NC State nor the NC Department of Justice will take any action to collect monies owed to the Lessee by students.

13.04 Maintenance, Repair and Renovation Account: For each billing cycle, Lessee shall deposit five (5%) percent of the housing receipts it receives from Lessor into an account established by Lessee for the sole purpose of accumulating funds to be used for periodic maintenance, repair and renovation of the Chapter House. Lessee shall notify Lessor of each disbursement from this account that exceeds the sum of \$2,500. Lessee shall provide Lessor semi-annual financial statements evincing the continued existence of this account.

13.05 House Director: A non-student house director shall reside in the Chapter House whenever students occupy the Chapter House. The house director shall be an employee of Lessor and shall be selected by Lessor after consultation with Lessee. The University shall withhold from the room and board funds it collects for Lessee pursuant to Article 13.03 herein an amount necessary to pay the salary and fringe benefit costs of the house director.

13.06 NC State Police and Fire Officials: The Chapter House constructed by Lessee on the Premises shall be subject to the jurisdiction of NC State law enforcement and fire and safety officials. Lessee's Chapter House shall be considered University Housing for purposes of this Article 13.06.

13.07 Parking: Parking lots adjacent to chapter houses shall be constructed by the Lessee and shall become the property and responsibility of the Lessor upon completion of construction. All parking on Greek Court shall be administered by the University Transportation Department. Unless otherwise noted, all parking will be permit parking.

13.08 No Waiver of Breach: No failure by either Lessor or Lessee to insist upon the strict performance by the other of any covenant, agreement, term, or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, condition, agreement, and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

13.09 Successors in Interest: Each and every covenant, condition, and restriction in this Lease shall inure to the benefit of and shall be binding upon the successors in interest of Lessor, and, subject to the restrictions set forth above, the authorized encumbrances, assignees, transferees, subtenants, licensees, and other successors in interest of Lessee.

13.10 Partial Invalidity: If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

13.11 Relationship of Parties: Nothing contained in this Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Lessor and Lessee, and neither the method of computation of rent nor any other provisions contained in this Lease nor any acts or the parties shall be deemed to create

any relationship between Lessor and Lessee, other than the relationship of Lessor and Lessee.

13.12 Term Includes Extensions: All reference to the term of this Lease or the Lease Term shall include any extensions or renewal thereof.

13.13 Modification: This Lease is not subject to modification except in writing signed by Lessor and Lessee.

13.14 Delivery of Rent and Notices-Method and Time: All notices herein provided to be given, or which may be given, by any party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as follows:

To the Lessor:
c/o Director of Greek Life
1104 Pullen Hall, Campus Box 7345
North Carolina State University
Raleigh, NC 27695-7345

With a copy to:
c/o Director of Real Estate
Campus Box 7230
North Carolina State University
Raleigh, NC 27695-7230

To the Lessee:

Nothing contained herein shall preclude the giving of such notice by personal service. The address to which notices shall be mailed as aforesaid to any party may be changed by written notice.

13.15 Payment of Rent: All rents and other sums payable by Lessee to Lessor shall be in lawful money or by check payable to Lessor, and delivered or mailed to Lessor at:

c/o Director of Greek Life
1104 Pullen Hall, Campus Box 7345
North Carolina State University
Raleigh, NC 27695-7345

13.16 Applicable Law:

(a) This Lease shall be governed by and construed in accordance with the laws of the State of North Carolina, and any suit, action, or proceeding arising out of or relating to this Lease shall be governed by the laws of the State of North Carolina. The situs of any suit, action or proceeding shall be Wake County, North Carolina.

(b) Lessee agrees that any act by Lessor regarding this Lease is not a waiver of either Lessor's sovereign immunity or the Lessor's immunity under the Eleventh Amendment of the U.S. Constitution.

13.17 Entire Agreement: This Lease constitutes the entire agreement between the parties and supersedes all prior negotiations, discussions, statements and agreements between Lessor and Lessee with respect to the Premises and Lessee's use and occupancy thereof. No modification of or amendment to this Lease shall be binding on either party hereto unless such modification or amendment shall be properly authorized in writing and signed by both Lessor and Lessee.

13.18 Short Form Lease: The parties hereto agree to execute and record in the Wake County Register of Deeds a Memorandum of Lease memorializing the basic terms hereof.

IN WITNESS WHEREOF, the **LESSEE** has caused this instrument to be executed in its name by _____, President, attested by _____ Corporate Secretary, and the Seal of the Lessee hereunto affixed, all as of the day and year first written above.

IN TESTIMONY WHEREOF, the **STATE OF NORTH CAROLINA** has caused this instrument to be executed in its name by MICHAEL F. EASLEY, Governor, attested by ELAINE F. MARSHALL, Secretary of State, and the Great Seal of the State of North Carolina hereunto affixed, by virtue of the power and authority aforesaid, all as of the day and year first above written.

STATE OF NORTH CAROLINA

By: _____
Governor

ATTEST:

By: _____
Secretary of State

APPROVED AS TO FORM:

ROY COOPER
Attorney General

Assistant Attorney General

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, _____, a Notary Public in and for the County of _____ and State of North Carolina, do hereby certify that ELAINE F. MARSHALL, Secretary of State of North Carolina, personally came before me this day and acknowledged that she is Secretary of State of North Carolina, and that by authority duly given and as the act of the State, the foregoing instrument was signed in its name by MICHAEL F. EASLEY Governor of the State of North Carolina, sealed with the Great Seal of the State of North Carolina, and attested by herself as Secretary of State of North Carolina.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the _____ day of _____, 2005.

Notary Public

My Commission Expires:

INSERT CORPORATE NOTARY