



Wake County Board of Commissioners

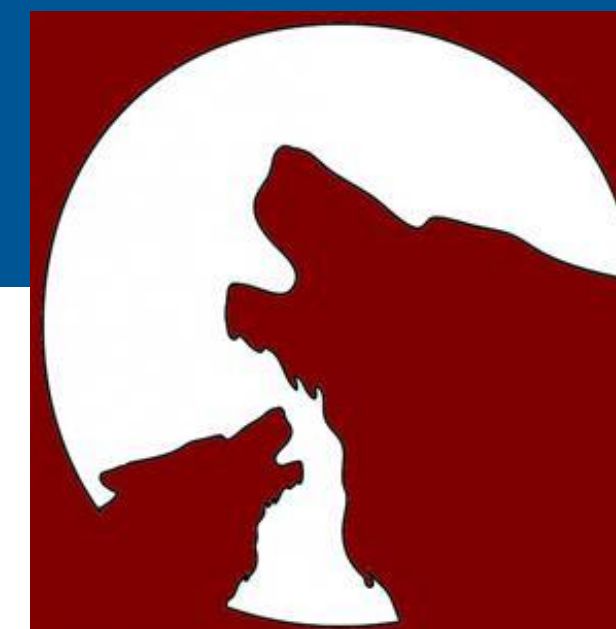
Request for Approval and Funding of Board of Education Land Acquisition: Central Wake County (Second Reading)

Betty Parker, Real Estate Services
March 16, 2020



WAKE STEM EARLY COLLEGE HIGH SCHOOL

Preparing Tomorrow's Problem Solvers



- All courses embed the theme of science, technology, engineering, and math
- Wake STEM ECHS students:
 - Spend the first two years completing many credits required for a high school diploma
 - Begin taking college courses in the third year of the program and by the fourth and fifth years, students are primarily taking college level courses
 - Earn college credit at NC State University upon successful completion of college courses
 - Benefit from participation in internship experiences
 - Includes those underrepresented in the STEM disciplines and first generation college going students
- MOA expiration in June 2021 ends the availability of the Cherry Building base location
- Relocation is needed to seamlessly continue successful school operations

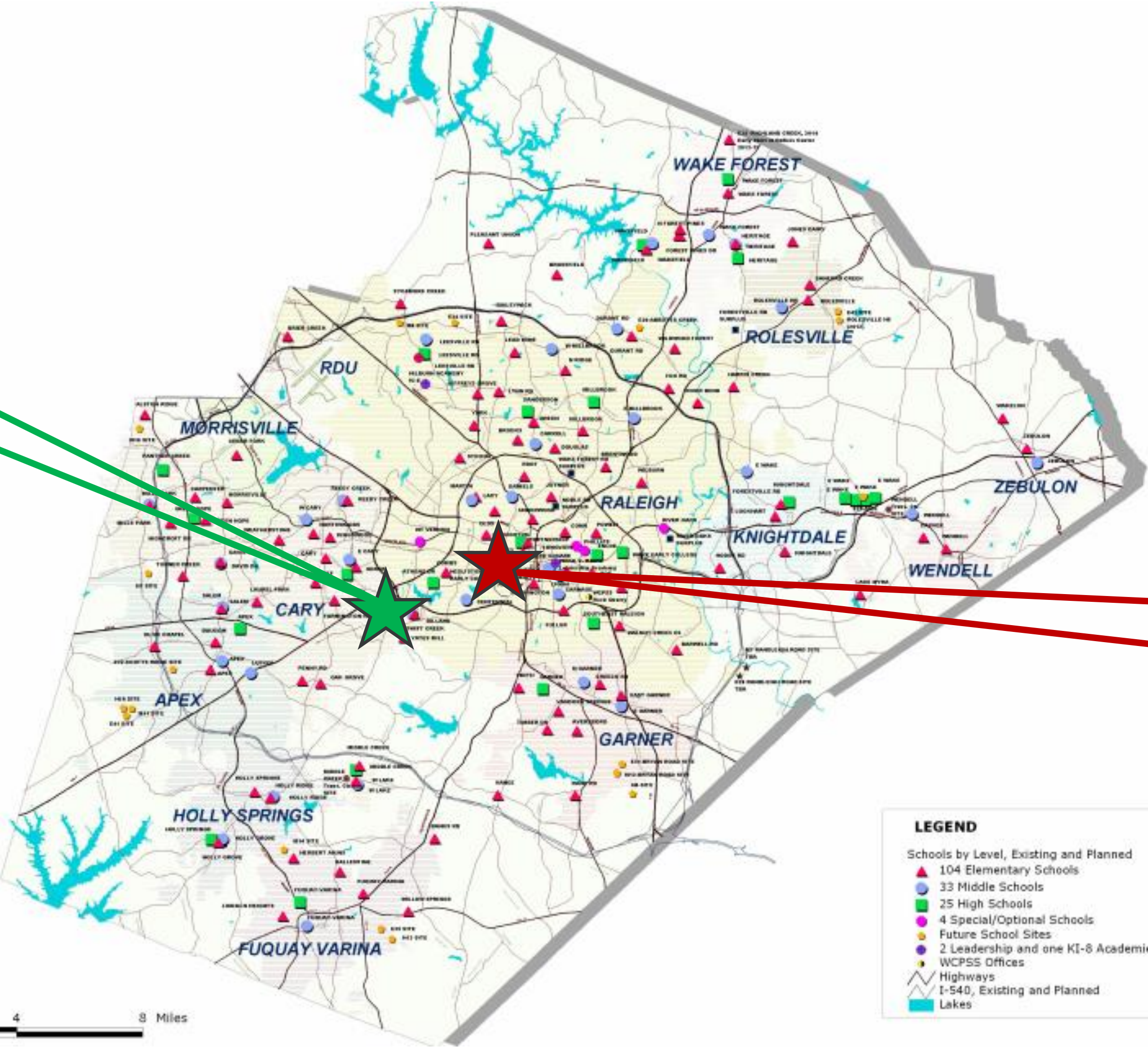


Potential Site Comparison

	3421 Olympia Dr.	2205 Walnut St.	3810 Bland Rd.
Distance to NCSU	5.0 miles	5.8 miles	7.3 miles
Travel Time to NCSU	11 min.	15 min.	19 min.
Building	17,500 sf	30,000 sf	21,000 sf
Site Acreage	4.93	4.23	1.67
Parking Ratio (#/1,000 sf)	10	8.4	5
Parking Counts	175	252	105
Estimated Purchase Price	\$5M (+upfit cost)	\$5M (+upfit cost)	\$6.5M
Price Per SF	\$286	\$167	\$309
Full Program Fit	Insufficient	Sufficient	Insufficient
Building Type	2 Story	1 Story	2 Story

Location of Wake STEM ECHS & Proposed Relocation Site

Subject Property
2205 Walnut Street

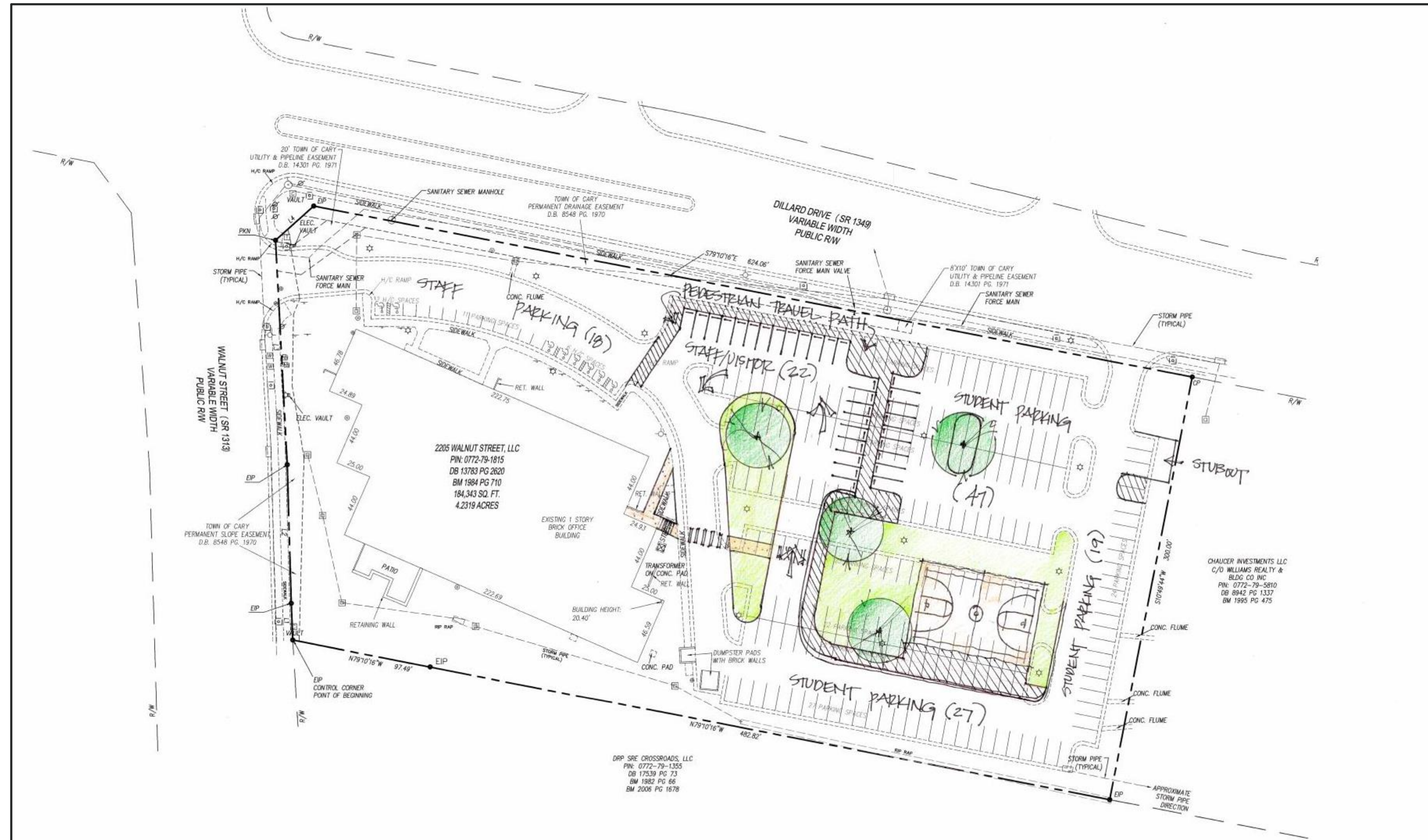


Wake STEM
ECHS

Subject Property – GIS Aerial



2205 Walnut Street – Site Circulation Preliminary Concept Plan



2205 Walnut Street – Preliminary Concept Plan



Acquisition Sales Comparison

Subject Property	Appraised Value	Sales Price (Bargain Sale)	Building Size (SF)	Sales Price Over/(Under) Appraised Value	Appraised Value (Per Rentable SF)
2205 Walnut Street	\$5,280,000	\$5,000,000	30,016	(\$280,000)	\$175.90
Comparable Sales in the Area	Date of Acquisition	Year Built	Building Size (SF)	Total Sales Price	Sales Price (Per Rentable SF)
300 Gateway Centre	10/2019	1986	29,053	\$6,200,000	\$213.40
1815 Kildaire Farm Road	1/2019	1987	22,080	\$3,450,000	\$222.58
1010 High House Road	1/2019	1984	20,839	\$4,200,000	\$201.55
5520 Dillard Drive	5/2018	1997	101,704	\$22,200,000	\$226.86
6501 Weston Parkway	2/2018	1995	93,990	\$18,400,000	\$195.77
9121 Anson Way	1/2018	2006	30,020	\$5,550,000	\$193.90

Contract Terms and Information:

- **Seller:** 2205 Walnut LLC has owned the subject property for ten years as commercial investment property. Last tenant was Miller Motte College.
- **Land Purchased:** 4.23 acres including a 30,000 SF building and paved parking located on Walnut Street at its intersection with Dillard Drive in Cary.
- **Purpose:** Relocation of NCSU Wake STEM Early College High School.
- **Negotiated Purchase Price:** Bargain Sale contract terms establish the purchase price to the BOE of \$5,000,000, while the purchase price for the property is determined by an appraisal commissioned by the Seller. The anticipated difference in the two values shall be credited in the form of a charitable contribution from Seller to the BOE.
- **Appraised Value:** \$5,280,000. The BOE's MAI appraisal supports the purchase price.

End of Second Reading Presentation

Board approval is requested.