

June 10, 2025

Senator Shelley Funke Frommeyer, Co-Chair,  
Representative Shawn McPherson, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building - Room 34  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Senator Funke Frommeyer, Representative McPherson and Members of the Capital Projects and Bond Oversight Committee:

Pursuant to KRS §56.823 this is to report a new lease which exceeds \$100,000 annually. The University, after careful consideration, determined that this lease is in the best interests of UK and the Commonwealth of Kentucky.

The new lease is for 3,694 square feet of clinical space located at 135 East Maxwell Street, Fayette County, Kentucky. This space is needed for UK Healthcare's Speech Language Pathology Clinic. The cost of the lease will not exceed \$136,678 annually. The effective date of the lease will be July 1, 2025 (contingent upon the Committee's approval), with an expiration date of June 30, 2026.

If you should have additional questions regarding the lease, please contact me at 859.221.4122 or Elizabeth Baker at 859.257.6315.

Sincerely,



George Ward  
Associate Vice President  
Economic Development and Real Estate

c: Angie Martin Katherine Halloran Lindsay Simpson Elizabeth Baker

**Report to Capital Projects and Bond Oversight Committee**

Lease with Annual Rental Exceeding \$100,000

**Lease number:** 8412**County:** Fayette**Lessee:** UK HealthCare, Speech Language Pathology**Lessor:** Kentucky Medical Services Foundation, Inc, 2333 Alumni Park Plaza, Suite 400, Lexington, Fayette County, Kentucky**Property location:** 135 East Maxwell Street, Lexington, Fayette County, Kentucky 40508**Check one:** new lease ☐ renewal ☐ addendum ☐ renegotiated ☒**Type of space:** Clinic**Total square feet being leased:** 3,694**Cost per square foot:** \$37.00 **Annual cost:** \$136,678.00**Average square foot cost of state leased cost in county:** \$39.00**Includes utilities:** yes ☒ no ☐**Cancellation clause:** yes ☒ no ☐*If yes, explain terms:* 30 Days*if no, explain why not:* [Click or tap here to enter text.](#)**Effective date:** July 1, 2025**Expiration date:** June 30, 2026**Justification for lease:** The location has served the Department since 2018 as clinic space. This location is in close proximity to Good Samaritan's campus, meeting patient needs and is within a facility that is in the UKHC network locations. This space is used to provide speech and language therapy services to both adults and pediatric patients.**Statements as to whether the University of Kentucky complied with statutory requirements:** (if not in compliance, explain why) The University is in compliance with statutory requirements.**Explanation of why the University of Kentucky chose this lessor over the competition:** Pursuant to KRS §164A.575 (7)(a) the University renegotiated the lease.