

Contact: Jean Friedrich

UNIVERSITY OF IOWA PROPOSED PROPERTY PURCHASE – 301 SOUTH CLINTON

Action Requested: Consider approval of the purchase, for the benefit of the University of Iowa, of a property located at 301 South Clinton Street in Iowa City, Iowa, from Bank of the West at the price of \$3,100,000, plus \$350,000 in relocation costs, subject to approval of the final documents by the Board Office and Attorney General's Office.

(ROLL CALL VOTE)

Executive Summary: The University of Iowa requests approval for the purchase of property located at 301 South Clinton Street in Iowa City from Bank of the West. The property consists of a 23,650 square foot commercial lot and includes a two-story concrete and steel building currently in use as a branch bank. The building, built in 1980, has 10,240 square feet of space and is in good condition. A map showing the location of the property is included as Attachment A.

The proposed purchase price of \$3,100,000, plus \$350,000 in relocation costs, is consistent with Board policy for the purchase of property, based on two appraisals which used the sales comparison approach. The relocation payment of \$350,000 is needed to make the seller whole. The purchase would be funded by State and Federal flood recovery grants, with required matching support from University flood recovery funding.

The property is in a key location near campus in an area that has been designated for the construction of a new School of Music and recital halls replacing flood damaged facilities.

Under Board policy, property shall be purchased at no more than the highest appraisal, or not more than 5 percent over the average of two appraisals, whichever is the lower figure. This policy is not intended to limit negotiation for a price lower than the appraised value.

Additional information is available from the Board Office.

