

MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Purchase of Properties Located at 601 and 605 Melrose Avenue, Iowa City, Iowa

Date: January 7, 2002

Recommended Action: Approve the purchase of the following properties, subject to approval of the Executive Council of Iowa:

1. 601 Melrose Avenue, Iowa City, Iowa, from John Wertzberger; and
2. 605 Melrose Avenue, Iowa City, Iowa, from John Wertzberger dba Melrose Avenue Partners.

(ROLL CALL VOTE)

Executive Summary: The University wishes to acquire properties located at 601 and 605 Melrose Avenue in Iowa City. The properties are located south of Melrose Avenue and the Melrose Avenue Parking Facility, near the University's west campus, as shown on the map included as Attachment A.

The purchase price for the properties of \$170,000 and \$160,000, respectively, to be financed by Income from Treasurer's Temporary Investments, is consistent with Board policy for acquiring property.

The purchase agreement has been forwarded to the Attorney General's Office for review; a report of the review will be made at the January Board meeting.

Background and Analysis:

General Description The adjacent properties each consist of two-story homes in fair condition, in a key location near the general campus boundaries. The home at 601 Melrose Avenue is located on an 8,875 square foot lot; the home at 605 Melrose Avenue is located on a 4,500 square foot lot.

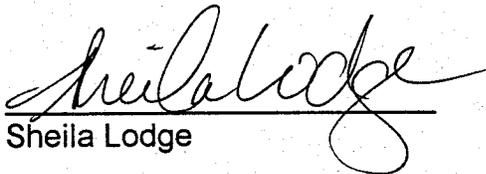
Reason for Purchase The properties would be purchased by the University for use as rental properties.

Purchase Price The proposed purchase price for each property is consistent with Procedural Guide §7.10, which requires that property be purchased at not more than 5 percent over the average of two appraisals.

Two appraisals for the 601 Melrose Avenue property estimated the value of the property at \$170,000 and \$168,000.

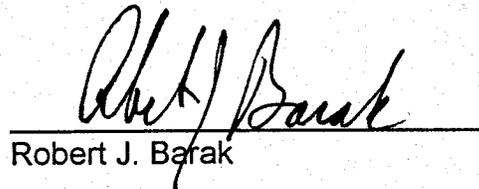
Two appraisals for the 605 Melrose Avenue property estimated the value of the property at \$160,000.

Possession Date Upon Executive Council approval.



Sheila Lodge

Approved:



Robert J. Barak

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