

MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Purchase of Properties Located at 2 Melrose Place, 6 Melrose Place, and 320 Melrose Avenue, Iowa City, Iowa

Date: May 6, 2002

Recommended Action:

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

- a. 2 Melrose Place, Iowa City, Iowa, from the University of Iowa Facilities Corporation, at the purchase price of \$151,000;
- b. 6 Melrose Place, Iowa City, Iowa, from Imogene Rehovit, at the purchase price of \$198,500; and
- c. 320 Melrose Avenue, Iowa City, Iowa, from the University of Iowa Facilities Corporation, at the purchase price of \$290,000.

(ROLL CALL VOTE)

Executive Summary:

The University wishes to acquire properties located at 2 Melrose Place, 6 Melrose Place, and 320 Melrose Avenue in Iowa City.

The properties are located near the University's west campus, as shown on the map included as Attachment A.

- The properties at 2 Melrose Place and 6 Melrose Place are located south of Melrose Avenue and the Pomerantz Family Pavilion.
- The property at 320 Melrose Avenue is located north of Melrose Avenue and west of the Boyd Law Building.

The purchase price for each property, which will be financed by Income from Treasurer's Temporary Investments, is consistent with Board policy for acquiring property.

The purchase agreements have been reviewed by the Attorney General's Office and are recommended for approval.

Background and Analysis:

General Description	<p>The properties located at 2 Melrose Place and 6 Melrose Place consist of ranch-style homes in good condition. They are located on lots of 6,996 square feet and 13,700 square feet, respectively.</p> <p>The property located at 320 Melrose Avenue consists of a two-story brick home in good condition, on a 12,705 square foot lot.</p> <p>The properties are located in key locations near the general campus boundaries.</p>
Reason for Purchase	<p>The properties on Melrose Place would be purchased by the University for use as rental properties.</p> <p>The property at 320 Melrose Avenue would be used as a temporary residence for College of Law distinguished visitors.</p>
Purchase Price	<p>The proposed purchase price for each property is consistent with <u>Policy Manual</u> §7.10, which requires that property be purchased at not more than 5 percent over the average of two appraisals.</p> <ul style="list-style-type: none">• Two appraisals for the 2 Melrose Place property estimated the value at \$150,000 and \$165,000. (The purchase price for the property is \$151,000.)• Two appraisals for the 6 Melrose Place property estimated the value at \$205,000 and \$220,000. (The purchase price for the property is \$198,500.)• Two appraisals for the 320 Melrose Avenue property estimated the value at \$290,000 and \$325,000. (The purchase price for the property is \$290,000.)
Possession Dates	<p>Subject to Executive Council approval, the possession of the properties would take place on:</p> <ul style="list-style-type: none">• June 15, 2002, for 2 Melrose Place and 320 Melrose Avenue.• June 24, 2002, for 6 Melrose Place.


Sheila Lodge

Approved: 
Gregory S. Nichols