

Contact: Sheila Doyle

UNIVERSITY OF IOWA PROPERTY SALE

Action Requested: Consider recommending to the Board approval of the sale of 38.7 acres of land located in Winter Haven, Florida, to Highland Cassidy, LLC, Winter Haven, Florida, at the sale price of \$2 million.

Executive Summary: The University of Iowa wishes to sell a 38.7 acre tract of land located in Winter Haven, Florida. The property is the final portion of a parcel given to the University in 1955 from the Margaret Amy Slawson estate; the purpose of the gift was to provide scholarships to worthy undergraduate students. The University has transferred the proceeds from citrus production on the land to the Gilman A. and Lena S. Drew Memorial Scholarship Fund.

In 1998, the Board approved the sale of 0.5837 acres of the property to the Florida Department of Transportation at the price of \$29,625 (\$50,754 per acre) for a highway improvement project; these proceeds were also transferred to the Drew Memorial Scholarship Fund.

Since profits from the citrus groves have decreased and the commercial value of the land has increased dramatically in recent years, the University wishes to sell the property at this time. The University proposes to sell the parcel to Highland Cassidy, LLC, at the price of \$2 million (\$51,680 per acre). The proceeds from the sale would be invested in the Treasurer's Endowment to benefit the Gilman A. and Lena S. Drew Memorial Scholarship Fund.

Two appraisals for the property were \$930,000 and \$1,306,200. The proposed sale is consistent with Board policy which requires that real estate be conveyed for monetary consideration based on appraisal.

The sale is contingent upon the buyer obtaining suitable land use and zoning accommodations to allow a residential development on the property; the University expects these accommodations will be granted.

The sale agreement has been reviewed relative to Florida law by a Florida attorney representing the University.