Contact: Keith Saunders

UNIVERSITY OF NORTHERN IOWA PROPERTY SALE

Committee Action Requested: The University of Northern Iowa requests Board approval of a sale of property located at 2304 College Street, Cedar Falls, to the City of Cedar Falls for the price of $1.

UNI also requests that the Board waive the requirement in Policy Manual §2.3.2.C.iii for monetary consideration based upon appraisal.

Executive Summary: The University of Northern Iowa requests approval to sell a 0.251-acre parcel containing a vacant 11,293-square-foot building to the City of Cedar Falls. The property has an appraised value of $375,000 and identified deferred maintenance of $950,463. The City intends to develop the site as a parking lot.

Despite six months on the market, the property remains unsold. Feedback from prospective buyers during that period indicates that limited parking capacity and an irregular building layout have made it difficult to adapt the property for tenant use.

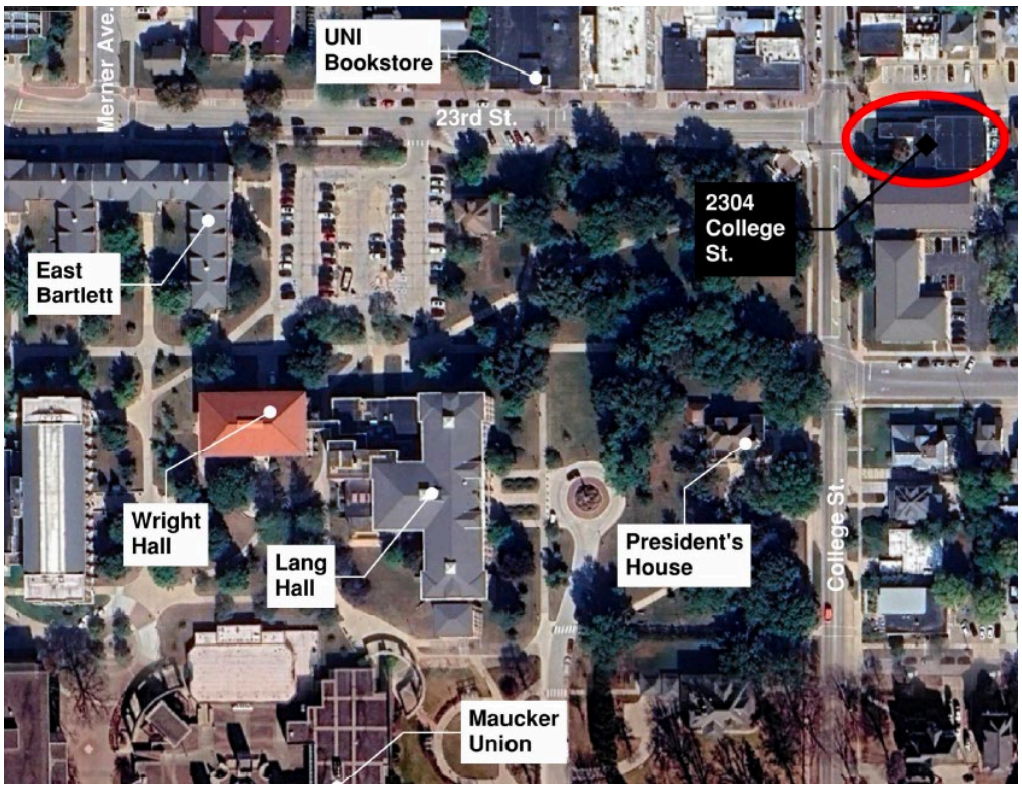


Fiscal Impact: UNI would receive $1 for the property. Although below the appraised value, the proposed sale would remove the vacant building and its $950,463 in identified deferred maintenance from UNI's facilities portfolio and avoid potential future maintenance or demolition costs. These avoided costs provide an additional financial benefit supporting the proposed sale. Under the proposed purchase agreement, the City would pay for any additional abstracting and title work, any required survey, and recording of the conveyance instrument. UNI would remain responsible for specified existing liens, assessments, and charges attributable to its possession.

Key Background: Board Policy Manual §2.3.2.A requires Board approval of real property sales. Section 2.3.2.C.iii.a provides that real estate should be conveyed for monetary consideration based on appraisal and requires Board approval of alternative consideration when monetary consideration is waived. The requested action would authorize the nominal-price conveyance in recognition of the proposed public parking use.

The proposed purchase agreement identifies the property as Lot 13 in Auditor's Plat No. 18, Cedar Falls, Black Hawk County, Iowa. It provides for possession on November 30, 2026, with closing before possession, subject to title approval and UNI vacating the property. UNI's obligations are expressly conditioned on Board consent. The City would purchase the property in its existing condition, without warranties as to condition.

Risks and Considerations: The City's planned parking lot would provide the public benefit supporting the requested waiver. The parties may wish to reflect that intended use in the final transaction documents. Closing would be subject to customary title and environmental considerations.



Location of 2304 College Street