

Contact: John Nash

IOWA STATE UNIVERSITY PROPOSED PROPERTY PURCHASE

Action Requested: Consider recommending to the Board approval of the purchase of 68.38 acres of land located at 3898 University Boulevard, immediately south of the Iowa State University Research Park, at a price of \$2,190,200, subject to approval of the final documents by the Board Office and Attorney General's Office.

Executive Summary: Iowa State University requests approval to purchase 68.38 acres of farmland located immediately south of the Research Park's Core Facility and the Research Park Phase III Development (Phase III). The tract is owned by Erben and Margaret Hunziker Apartments, LLC (Hunzikers). The University has been working with the Hunziker family to acquire this land which is critical to the future growth of Phase III (see Attachment A for location). The primary objectives of acquiring the land are continued economic development, brought by the Research Park to the State of Iowa, and additional agricultural operations for the College of Agriculture and Life Sciences.

The 68.38 acres being acquired by the University were part of a larger parcel of property totaling 77.74 acres initially owned by the Hunzikers. In order for the Research Park to proceed with certain Phase III infrastructure improvements and accommodate Research Park tenant construction, road, and utility projects (paid for by the City of Ames and the Department of Transportation), 9.36 acres of the 77.74 parcel were transferred by the Hunzikers in 2015 to the ISU Research Park Corporation via a Warranty Deed. This was done with the understanding that payment to the Hunzikers for the 9.36 acres would be made at the time the remaining 68.38 acres were purchased by the University with Board of Regents approval.

Based upon two independent appraisals per Board policy, the Hunzikers have agreed to sell the 77.74 acres for \$2,490,000. The 68.38 acres would be sold to the University for \$2,190,200. As part of this transaction, the University has agreed to convey, on behalf of the Research Park, \$299,800 for the value of the 9.36 acres previously conveyed to the ISU Research Park Corporation. The Research Park provided its portion of the total purchase price to the University for transfer to the Hunzikers in accordance with the terms of the Purchase Agreement.

This property purchase would be funded by proceeds from prior land sales and facility overhead use funds.

IOWA STATE UNIVERSITY
PROPOSED PROPERTY PURCHASE MAP

