

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Purchase and Lease of Properties
Date: May 12, 2003

Recommended Actions:

1. Approve the purchase of the following properties, subject to approval of the Executive Council of Iowa:
 - a. 4 Melrose Place, from Diana Wagner, at the purchase price of \$180,000; and
 - b. 8 Melrose Place, from Brent Brown, at the purchase price of \$169,000.
2. Authorize the University to add the dwellings to its tenant property inventory, each to be leased at the rate of \$1,000 per month effective June 15, 2003, through July 31, 2004.

(ROLL CALL VOTE)

Executive Summary:

The University wishes to purchase two residential properties located near the University's west campus, to the south of Melrose Avenue and the UIHC Pomerantz Pavilion. (A map showing the location of the properties is included as Attachment A.)

- The property located at 4 Melrose Place consists of a ranch-style home in very good condition on a 6,360 square foot lot; the proposed purchase price is \$180,000.
- The property located at 8 Melrose Place consists of a ranch-style home in fair condition on a 6,046 square foot lot; the proposed purchase price is \$169,000.

The purchase price for each property is consistent with Board policy for the purchase of property.

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

The University proposes to utilize Income from Treasurer's Temporary Investments for the property purchases.

Following acquisition, the University plans to lease the properties at the rate of \$1,000 per month effective June 15, 2003, through July 31, 2004.

Background and Analysis:

Purchase Price The proposed purchase prices are consistent with the Board's Policy Manual, which requires that property be purchased at not more than 5 percent over the average of two appraisals.

- The two appraisals for the property located at 4 Melrose Place are \$165,000 and \$180,000.
- The two appraisals for the property located at 8 Melrose Place are \$162,500 and \$178,000.

Use Following acquisition, the University wishes to use the properties as rental units.

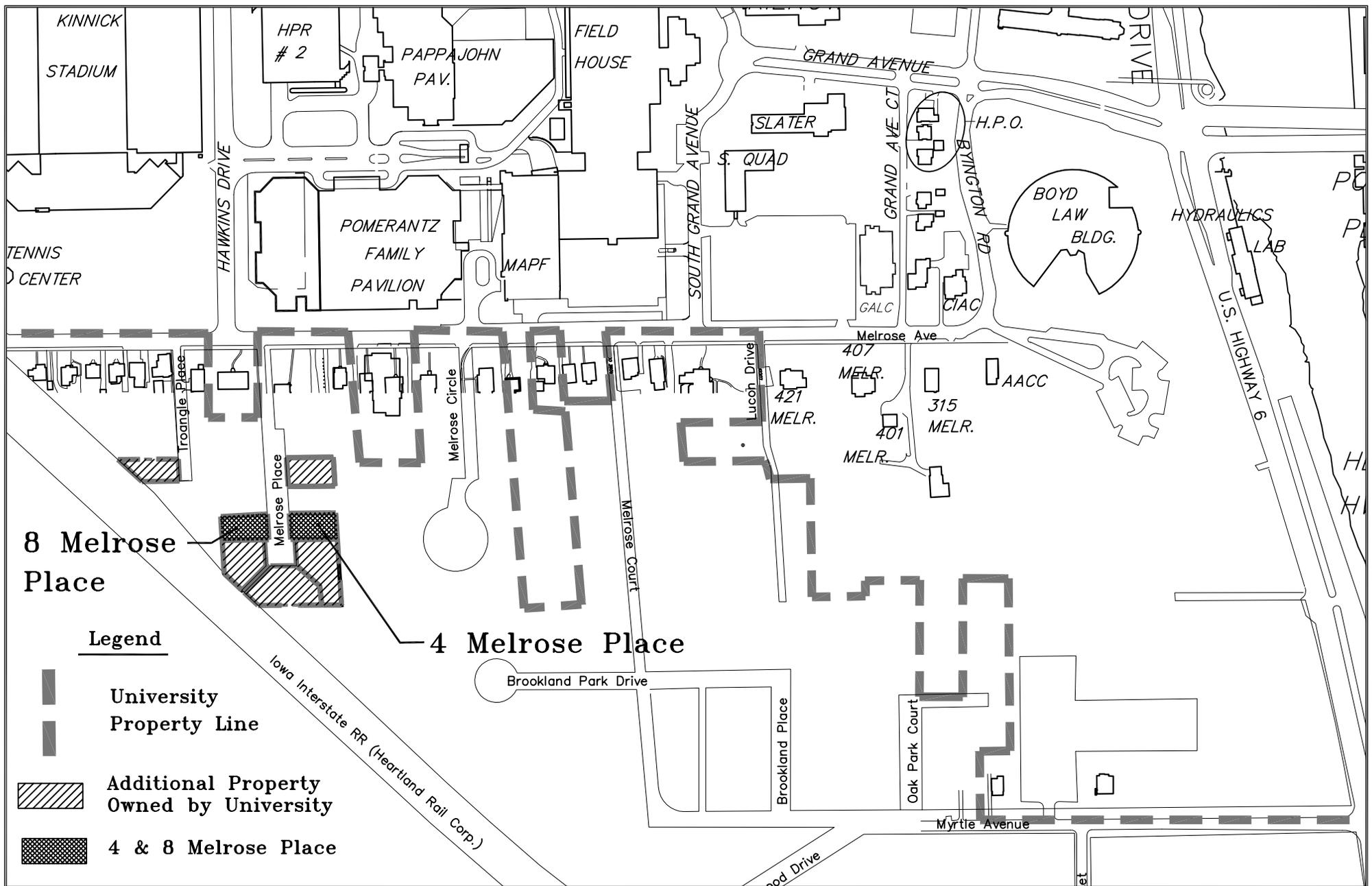
- The proposed rental rate of \$1,000 per month is consistent with the University's rental rate for other comparable residences.

Since the properties would be added to the University's tenant property inventory, the rental rate for each subsequent fiscal year would be presented for Board approval once a year (normally in May) along with the rental rates for the University's other tenant properties.

Sheila Doyle

Approved:

Gregory S. Nichols



8 Melrose Place

4 Melrose Place

Legend

-  University Property Line
-  Additional Property Owned by University
-  4 & 8 Melrose Place



THE UNIVERSITY OF IOWA

Location Map:

4 Melrose Place and 8 Melrose Place

