

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: 3100 W. Big Beaver Road, Troy, Michigan

Action

Requested: Authorization to Purchase Real Estate

Background:

To meet the strategic goals of University of Michigan Health, on March 28, 2024, the Regents of the University of Michigan approved the acquisition of property located at 3100 W. Big Beaver Road, City of Troy, County of Oakland, Michigan for development of a multi-specialty ambulatory facility. The University of Michigan Health thereafter entered into a purchase agreement for the property and is in the due diligence phase of that acquisition. The purchase agreement includes options to acquire additional land at the site. The University of Michigan Health would like to exercise options to acquire two additional parcels of land located at 3100 W. Big Beaver Road, City of Troy, County of Oakland, Michigan.

The subject parcels are vacant land consisting of 2.2 acres and 1.88 acres respectively. These additional parcels of land provide an economically feasible solution to maximize patient parking needed to support the ambulatory facility planned for the site.

A total fair market value purchase price of \$2,540,784.33 was established for the parcels of land in the purchase agreement, with closing to occur no later than fifteen (15) days of the inspection period expiration, all subject to approval by the Board of Regents. Funding is anticipated to be provided principally via General Revenue debt authorized by the Board of Regents.

We recommend that the University of Michigan acquire the two additional parcels of land located at 3100 W. Big Beaver Road, City of Troy, Michigan at the purchase price of \$2,540,784.33, subject to the University satisfying itself with the environmental condition of the site and otherwise completing due diligence; and authorize the interim associate vice president for finance to take all appropriate and necessary steps to complete the transaction described above.

Respectfully submitted,



Marschall S. Runge
Executive Vice President for Medical Affairs and
Dean, Medical School



Robert A. Hewlett III
Interim Associate Vice President
for Finance

