

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION
ACTION REQUEST

Subject: Ronald McDonald House Ground Lease Extension and Expansion

Action

Requested: Approval to Extend Ground Lease and Expand the Ronald McDonald House Footprint

Background:

In accordance with the University of Michigan Real Estate Policy, we are required to seek approval to execute leases when the term of the lease is longer than ten years.

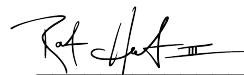
The Regents of the University of Michigan lease approximately 0.73 acres at no rent to Arbor House, Inc. for a Ronald McDonald House pursuant to a Lease Agreement dated June 26, 1984 as outlined on Exhibit A. This lease expires on June 26, 2029 with an option to extend the term for an additional 10 years. The Regents of the University of Michigan own approximately 1.15 acres on the south side of Washington Heights, which is currently utilized for parking (lot M28, 164 spaces) and is adjacent to the existing Ronald McDonald House leased land. We request authorization to ground lease approximately 1.15 acres, as outlined on Exhibit A, as well as extend the current ground lease of .73 acres, for an anticipated additional 45 year term at no rent to accommodate a Ronald McDonald House expansion.

The Ronald McDonald House expansion aims to enhance its capacity, broaden the services it offers, and further advance its mission of supporting families during their child's medical care.

The Ronald McDonald House supports families of seriously ill or injured children who are being treated in Washtenaw County. Its core mission is to help families stay close together and focused on their child's care when treatment requires travel far from home.

We recommend the Board of Regents approve the ground lease extension and expansion as described on terms and conditions approved by the Interim Chief Financial Officer.

Respectfully submitted,



Robert A. Hewlett III
Interim Executive Vice President and
Chief Financial Officer

March 2026
Attachment

Exhibit A

