

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: 5677 E. Saginaw Highway, Grand Ledge, Michigan

Action

Requested: Authorization to Purchase Real Estate

Background:

After a comprehensive site search, an opportunity to acquire property that is well located and uniquely suited to meet the strategic goals of University of Michigan Health-Sparrow is available through the purchase of 5677 E. Saginaw Highway, Charter Township of Oneida, County of Eaton, State of Michigan. The subject site is improved land consisting of 11.28 acres on which a former CARite car dealership was located. The property will further University of Michigan Health-Sparrow's ambulatory care strategic plan for the Grand Ledge market, including development of a new ambulatory care center with both primary and specialty care offerings, including radiology and rehabilitation services. This will expand the University of Michigan Health-Sparrow in a key market and allow Michigan Medicine to improve access to its services, bringing clinical expertise closer to the patients in and around this growing community. This purchase and development will demonstrate a long-term presence and commitment to the patients in the Grand Ledge market.

A fair market value purchase price of \$1,995,000 has been established, 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 will be provided from Sparrow cash and investments acquired in the merger with Michigan Health.

We recommend that the University of Michigan acquire the property at 5677 E. Saginaw Highway, Grand Ledge, Michigan at the negotiated price of \$1,995,000, subject to standard environmental and real estate due diligence; and authorize the associate vice president for finance to take all appropriate and necessary steps to complete the transaction described above.

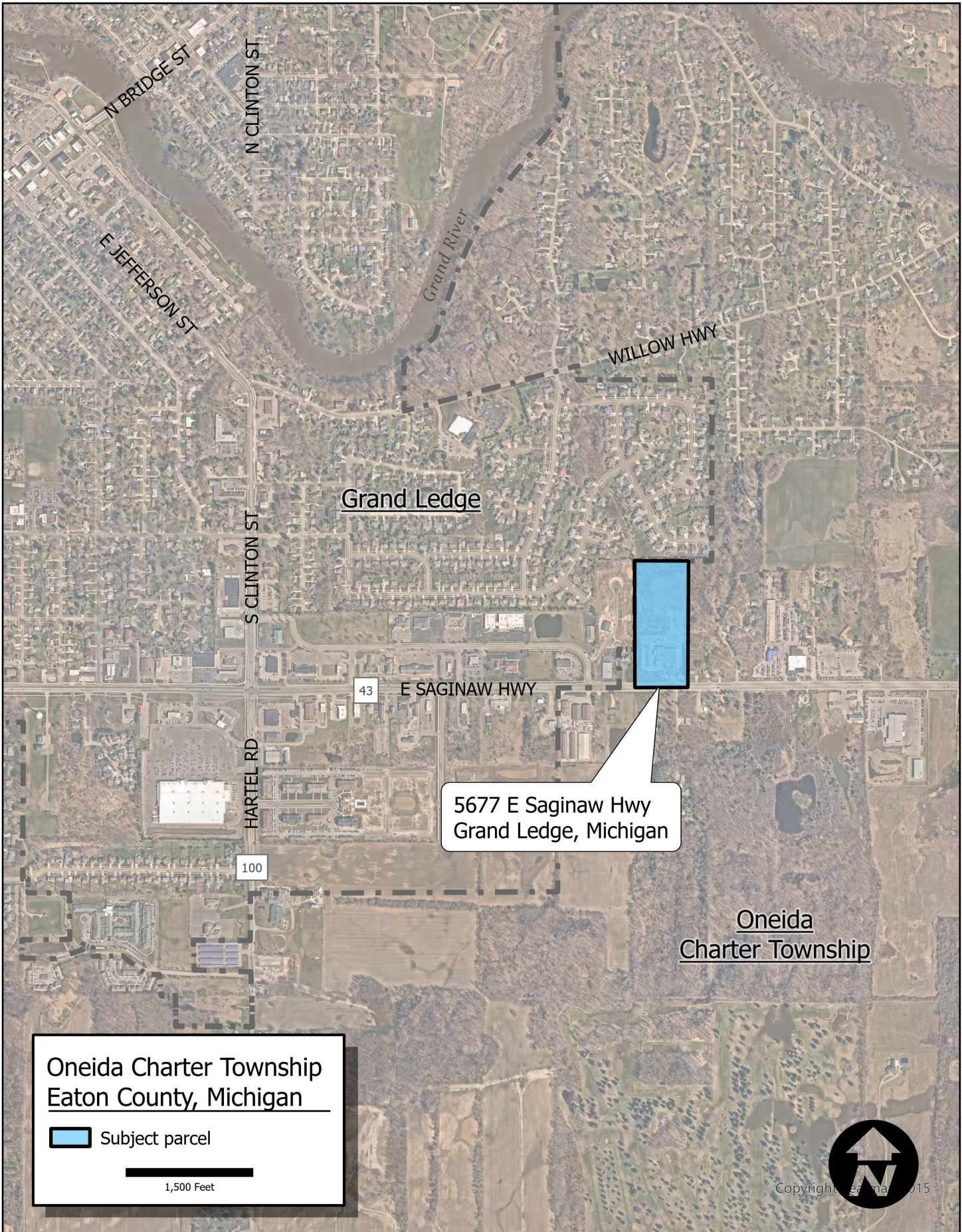
Respectfully submitted,




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




Geoffrey S. Chatas
Executive Vice President and
Chief Financial Officer



Oneida Charter Township
Eaton County, Michigan

 Subject parcel

 1,500 Feet

