

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION
ACTION REQUEST

Subject: Vacant land, 2225 Main Street SW and 2221 Health Drive SW
Wyoming, Michigan

Action

Requested: Authorization to Purchase Real Estate

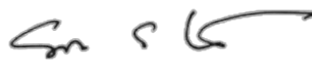
Background:

An opportunity to acquire vacant land and two office buildings strategically located adjacent to the University of Michigan Health West Hospital is available through the purchase of 10.2 acres of vacant land, 2225 Main Street SW and 2221 Health Drive SW, Wyoming, Michigan. The office building at 2225 Main Street SW contains 12,077 square feet located on 1.00 acre. The office building at 2221 Health Drive SW contains 29,763 square feet located on 2.10 acres. The properties have no known historical significance.

We are acquiring this strategically located land directly adjacent to the University of Michigan Health West Hospital to secure our long-term growth opportunities in The Village development. A purchase price of \$45,000,000 has been established with a closing date yet to be determined, all subject to approval by the Board of Regents. There are existing leases and in the near term, the university will continue to lease the units.

We recommend that the University of Michigan acquire the land and properties at 2225 Main Street SW and 2221 Health Drive SW, Wyoming, Michigan at the negotiated price of \$45,000,000, subject to the university satisfying itself with the environmental condition of the site and otherwise completing due diligence. A combination of central reserves and bond proceeds will be used to complete the purchase.

Respectfully submitted,



Geoffrey S. Chatas
Executive Vice President and
Chief Financial Officer

June 2024
Attachment