

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
December 13, 2012

ACTION REQUEST

Subject: 549 and 551 South Division Street, Ann Arbor, Michigan

Action

Requested: Authorization to Purchase Real Estate

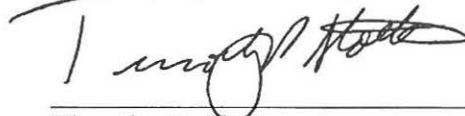
Background:

An opportunity to acquire property adjacent to Central Campus between West Quadrangle and the Perry Building is available through the purchase of 549 and 551 South Division Street in the city of Ann Arbor. The subject site includes a 2,776 square foot apartment house and a 950 square foot restaurant. The buildings are situated on a 0.18 acre parcel of land and have no known historical significance.

A purchase price of \$1,075,000 has been established with a tentative closing date of no later than December 31, 2012, all subject to approval by the Board of Regents. The university will enter into a lease agreement with the owner of the properties to continue management of 549 and 551 South Division Street through August 31, 2013, when the existing leases expire and the premises will be vacated.

We recommend that the University of Michigan acquire the property at 549 and 551 South Division Street, Ann Arbor, Michigan, at the negotiated price of \$1,075,000, subject to the university satisfying itself with the environmental condition of the site and otherwise completing due diligence. Investment proceeds will be used to fund the purchase.

Respectfully submitted,

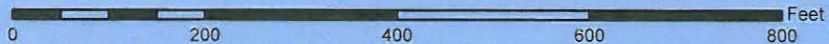
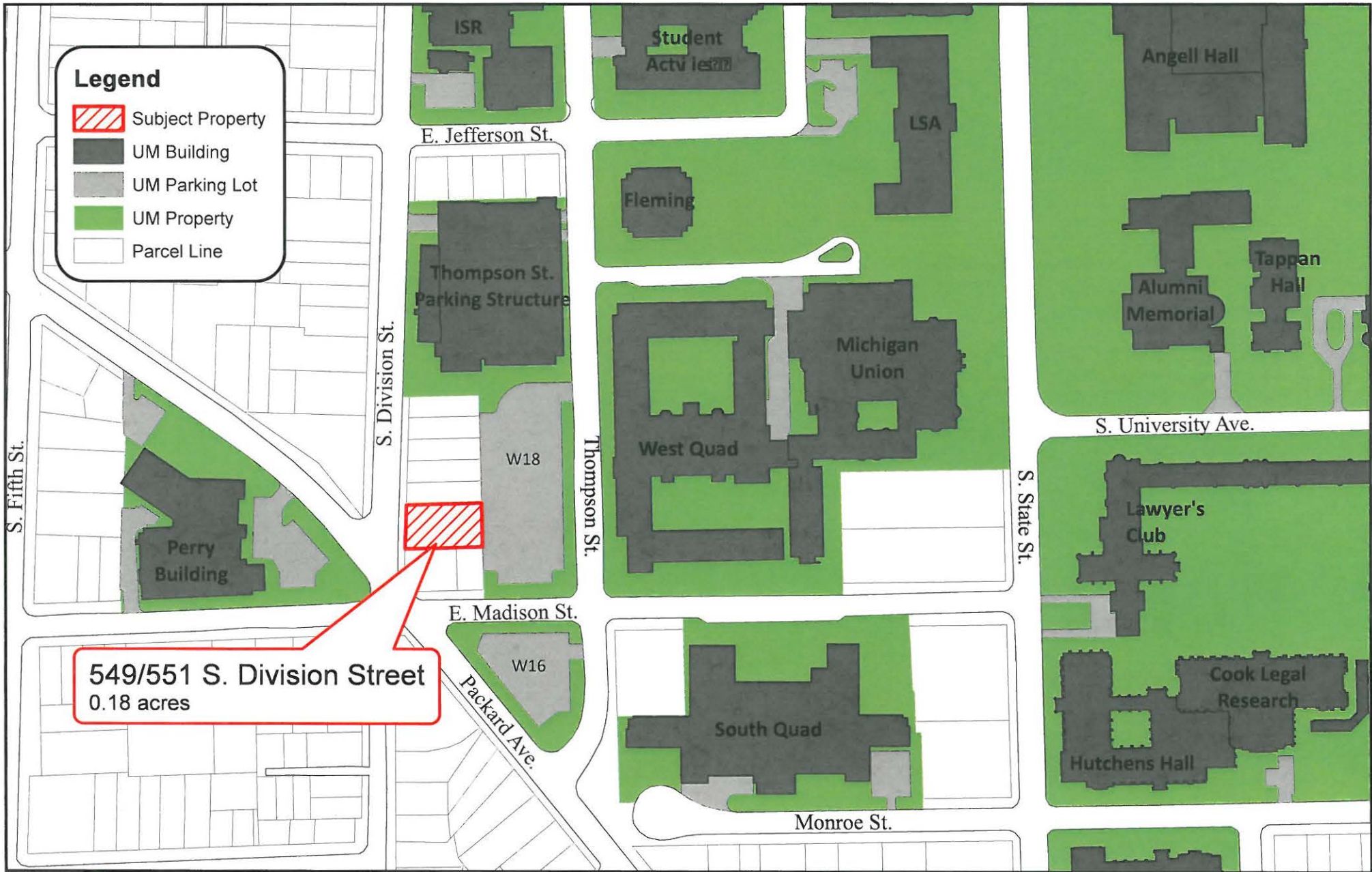


Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

December 2012
Attachment

549/551 S. Division Street

University of Michigan
Central Campus - Ann Arbor, Michigan



Basemap provided by: Space Information, U-M Architecture Engineering and Construction, November 2012
Parcel lines provided by: City of Ann Arbor, 2010
November 30, 2012 dtu