

Board Meeting
May 17, 2007

Revised

ROLL CALL

ACQUISITION OF ASHTON WOODS APARTMENTS, URBANA

Action: Authorization for Property Acquisition for UIUC South Campus Master Plan Property at 2221 S. First, Champaign, IL

Funding: Auxiliary Facilities System Funds with Anticipated Reimbursement from the Proceeds of a Subsequent Revenue Bond Sale

The Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends, subject to the availability of funds and satisfactory resolution of final purchase terms, that the Vice President/Chief Financial Officer and Comptroller be authorized to execute a purchase agreement with the owners of Ashton Woods Apartments (property). The total purchase price is \$8,625,124. This total purchase price is based upon a negotiated purchase price of \$8,500,000 that is supported by two market value appraisals as well as the additional payment of \$125,124 to pay for scheduled major maintenance and repair items including three roof replacements and resulting HVAC replacements.

The property is being purchased in accordance with the Master Plan objectives related to the expansion of the South Campus as approved by the Board of Trustees. The property consists of 156 apartment units contained within 13 buildings on approximately 5.5 acres **and is located at 2221 S. First Street, Champaign.** The

property will continue to be leased for income at market rents reflective of the local student apartment market until such time that the site is needed for alternative Master Plan use. The Urbana campus Housing Division will ultimately have management oversight responsibilities for the property following a transition period of approximately 12 months to honor existing lease obligations.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and the Board of Trustees policies and directives.

Funds for the acquisition are available from Auxiliary Facilities System Funds with anticipated reimbursement from the proceeds of a subsequent revenue bond sale. Any acquisition and operating costs incurred prior to the sale of the revenue bonds will be funded initially from other Auxiliary Facilities System funds.

The President of the University concurs.