PROPOSAL: Repurchase of BTR Parcel (Unit 30)

Background

Since the inception of the initial phase of the Western Michigan University Business Technology and Research Park (BTR), the Board of Trustees has approved a number of property transactions associated with new tenants. In each of these transactions, the University retains the right to repurchase the property if development does not occur within 18 months of the purchase date. The University also retains the right of first refusal if the property is sold to another entity.

In July 2012, the University sold Unit 30 (4.28 acres) in the initial BTR Park to Mophie, LLC for $250,000. The property has been sold three times with no development and the University has waived its right of first refusal for each transaction. The most recent sale was to The Service Professor, Inc. (AKA TK3 Properties) for $350,000 in December 2020. At the expiration of the 18-month time period for starting development, the University initiated communications with the owner about development intentions. The current owner does not have a plan to develop the property and the University intends to exercise the option to repurchase.

Given the extended length of time from the original purchase in 2012, the University entered negotiations with the current buyer for a fair repurchase price. Both parties have agreed upon a repurchase price of $370,155 subject to the approval of the Board of Trustees.

Recommended Action

It is recommended the Board of Trustees authorizes the Treasurer or Assistant Treasurer to complete the necessary documents for the repurchase of Unit 30 in the BTR park.