

**BOARD OF TRUSTEES
UNIVERSITY OF THE DISTRICT OF COLUMBIA**

UDC Resolution 2016-

SUBJECT: Sale of President's Residence at 3520 Rittenhouse N.W.

WHEREAS, pursuant to D.C. Code § 38-1202.01(a) (2001 ed.), the Board of Trustees possesses all powers necessary or convenient to accomplish its statutorily prescribed objects and duties, including the power to make, deliver, and receive deeds, leases and other instruments and to take title to real and other property in its own name; and

WHEREAS, the Board of Trustees has determined that certain residential real property located at 3520 Rittenhouse N.W. Washington, D.C. 20015 ("Rittenhouse Property") is not necessary to meet the current and foreseeable needs of the University, and that it is in the best interests of the University to sell the Rittenhouse Property; and

WHEREAS, the Board of Trustees seeks to delegate to the President the authority to sell the Rittenhouse Property, including but not limited to the authority to negotiate the terms and conditions of the sale and to enter into and execute contracts and all related certificates, instruments and documents necessary to accomplish the transaction; and

WHEREAS, the Administration has examined the terms and conditions of sale in transactions for comparable residential properties and has advised the Board of Trustees on the fair market value of the Rittenhouse Property.

NOW THEREFORE, BE IT RESOLVED, that the Board of Trustees hereby delegates to the President the authority to sell the Rittenhouse Property at a competitive sale price and subject to direction provided by the Board of Trustees. This delegation includes the full force and complete authority to negotiate and execute any and all contracts, certificates, instruments and other documents and to perform any acts reasonably necessary to effectuate the sale.

NOW THEREFORE, BE IT FURTHER RESOLVED, that the President is directed to negotiate any sale of the Rittenhouse Property on a basis most favorable to the University with due consideration to real property terms and conditions as are normal and customary for properties of this type and nature.

Submitted by the Operations Committee:

Date: July 20, 2016

Approved by the Board of Trustees:

Date: July 26, 2016

Dr. Elaine A. Crider
Chairperson of the Board



FISCAL IMPACT STATEMENT

TO: The Board of Trustees *David L. Franklin*
FROM: Managing Director of Finance
DATE: July 20, 2016
SUBJECT: President's Residence (Rittenhouse property)

Conclusion

It is concluded that the Board of Trustees authorizes the President to receive the signatory designation to sale the Rittenhouse property located at 3520 Rittenhouse N.W. Washington, D.C. 20015 at fair market value. With such designation, the President will have authority to enter into contracts, negotiate, and finalize disclosure, Federal, District, and other such documentation for closing.

Background

The University hired real estate consultant, Civitas Bedrock, to provide real estate advisory and brokerage services to include conducting research and analysis to assist the University with real estate strategies for the Rittenhouse property. The broker performed various types of analysis to:

1. Determine whether the University has the authority to sale;
2. Determine whether the University may obtain proceeds from a sale; and
3. Compare and understand relationship between leasing and selling the property.

The University worked with the consultant/broker to prepare the property for sale and engaged a listing agreement to provide brokers the ability to formally engage unofficial offers. As it stands, the broker has readied the property and believes there is sufficient interest in the property to begin formally accepting competitive offers.

Financial Impact

This request has been approved based upon the information provided.

Risks and Impacts

Risk Assumptions	Impacts
Authority to Sale	The Board currently has the only authority to engage sale activity for the property. The risks associated are the Board's availability to assess every reasonable offer, negotiate with potential buyers, enter in the contracts, and review and sign any related closing documentation in a timely fashion and not impede the sale. To alleviate these risks, the President should obtain the designation to engage such real estate activity on behalf of the Board.
Timeliness of Sale	Once the University begins accepting offers for the property, the University should be prepared to enter into a contract within a 10 day window. The longer the property sits on the market without a contract, there's a risk of it losing curb appeal and being sold at a lesser value.