

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 13
DATE: February 7, 2019

RECOMMENDATION

SALE OF UNIVERSITY PROPERTY

ACTION REQUESTED

It is recommended that the Board of Regents authorize the President to negotiate and execute final documents for the sale of the Corporate Education Center (CEC), located at 1275 South Huron Street.

STAFF SUMMARY

The University is in final negotiations regarding the sale of the Corporate Education Center, located at Eagle Crest Resort, to MFS Ypsilanti Holdings, LLC the operator of the Marriott Hotel adjacent to the CEC.

The delivery of corporate education has changed since the construction of the CEC, such that the original intent of the CEC is no longer consistent with the University's business model for non-credit instruction. The CEC has been operated by Marriot Management as part of a management agreement, which also includes Eagle Crest Golf Course. The management agreement will need to be amended as well to reflect the sale.

The agreed upon sale price is being negotiated at a price no less than \$2 million dollars, with financial closing expected in the first quarter of the 2019 calendar year. The University will coordinate with Ypsilanti Township on matters related to this transaction.

FISCAL IMPLICATIONS

Net funds realized from the sale will be directed to the University's financial reserves.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.



University Executive Officer

February 7, 2019

Date