

D- 9. REAL ESTATE ACQUISITION POLICY

When real estate is to be purchased or otherwise acquired by Auburn University, the following policy will be followed procedurally, unless specifically authorized by the Board of Trustees:

1. In conveyance by bequest or gift, documents will be reviewed by General Counsel and the President and reported to the Property and Facilities Committee. The process set out in the Real Estate Records Procedure will then be followed.
2. Purchases of real property may be initiated by individual solicitation or by advertisement for proposals, upon recommendation of appropriate administrators and approval of the President.
3. No property shall be purchased without obtaining one (1) appraisal by a qualified MAI Real Estate Appraiser for property whose estimated value is \$1,000,000 or less. For property whose estimated value exceeds \$1,000,000, two (2) MAI appraisals shall be required.
4. The University will not pay for any purchased property a price that is greater than the appraised value without some compelling reason, such as uniqueness of the property, location of the same, and need for the same to carry out the mission of the University.
5. Every effort will be made to obtain a purchase option for a term of at least sixty (60) days after the date of the meeting at which the transaction will be considered by the Board.
6. Purchases of real property will be submitted to the Board of Trustees for approval.
7. Upon approval of the Board, the Chief Financial Officer will submit the file to General Counsel for preparation/review of appropriate documents. Conveyances to Auburn University shall be by full warranty deed, unless otherwise specified in the approving Board resolution. Title insurance or a title opinion of legal counsel will be secured, unless otherwise specified in the approving Board resolution.
8. When title is approved and the purchase price is authorized and available, General Counsel will cause the transaction to be closed and will submit original conveyance and closing documents for recording and processing as set out in the Real Estate Records Procedure.

ADOPTED: March 26, 1990

REAFFIRMED: June 19, 2009