



# Welcome





# Property Acquisition Procedures



Do not be this guy



# Questions?



## Overview of BOR acquisitions procedures

How can realistic valuations be fit into the process

Getting to where you want to be



# Getting the concept right ...

University System of Georgia  
Creating A More Educated Georgia

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## Real Estate and Facilities

- Overview
- Services
- Initiatives**
  - Project Concept Review**
  - Space Utilization
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### Project Concept Review

Print friendly | Email or share | Modified June 28, 2012

Institutions proposing to do a facilities-related project, regardless of funding source, must first submit a concept proposal to Real Estate and Facilities. The development of the concept proposal should not require any expenditure of funds nor consultants to work at risk. All concept proposals are reviewed jointly by Facilities, Fiscal Affairs and Academic Affairs staff. The outcome of this review is a decision as to whether the concept should proceed for more in-depth project development and analysis.

The focus of the initial review is on whether the project is needed and what alternatives exist to building new space. If need is determined, the next step will involve the traditional level of detailed project development including definition of project scope, financing and requisite project authorizations.

The forms to submit project concepts are:

- [Facilities Project Concept Proposal](#)
- [Facilities Project Concept Charts](#)

USG Home > Administration > Facilities > Initiatives

<p><b>CONTACT US</b> 270 Washington Street, S.W. Atlanta, GA 30334 U.S.A.</p>	<p><b>WEBSITE INFORMATION</b> Privacy Policy Accessibility Compliance &amp; Ethics Reporting</p>	<p><b>ACADEMICS</b> Academic Planning Academic Programs Educational Access and Success Faculty Affairs Health Workforce Planning &amp; Analysis Information Technology Services Research &amp; Policy Analysis Student Achievement Student Affairs</p>	<p><b>ADMINISTRATION</b> Facilities Fiscal Affairs Georgia Public Library Service Human Resources Legal Affairs Strategic Planning</p>	<p><b>EXTERNAL AFFAIRS</b> Business Development Customer Focus Economic Development Government Relations Media &amp; Publications</p>	<p><b>BOARD OF REGENTS</b> CHANCELLOR INTERNAL AUDIT &amp; COMPLIANCE USG INSTITUTIONS NEWSROOM POLICIES &amp; REPORTS</p>
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# Give him his due (diligence)...

**Real Estate and Facilities**

**Due Diligence Guidelines Contents**

[Introduction](#) [Demolition](#) [Disposition](#) [Easement](#) [Gifts](#) [Acquisition](#) [Rental as Tenant](#) [Rental as Landlord](#)

## Due Diligence Guidelines: Acquisition of Real Property

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### Application

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This guideline is applicable for proposed purchases of real property, transfer of real property (to the Board of Regents), exchange of real property (for the acquisition portion only) and for Eminent Domain. For exchange of real property the guidelines for disposition should also be utilized.

Eminent Domain will only be considered after a good faith effort to purchase and will be given strict scrutiny. If the institution anticipates that Eminent Domain may be pursued then the Central Office should immediately be consulted.

**Pertinent Board Policy:** [Section 9.9.2](#)

### Pertinent Agreements

[Option to Purchase - Improved Real Property](#)

[Notice to Exercise Option](#)

### Submittal Guidelines

Request from President to Vice Chancellor for Facilities to acquire real property that includes all of the following as attachments:

- [Three independent appraisals of property value](#) (One original of each)
- [Phase I Environmental Report](#) (Two originals)
- Facilities condition analysis of all physical improvements (One original)
- [Recordable survey](#) (Seven recordable surveys)
- Legal description
- [Color pictures of property](#)
- [Location map](#)
- Narrative (in the following numerical outline order)
  - Size in acres.
  - Description of physical improvements on property
  - Statement indicating conformance with institution's master plan including excerpts from Master Plan indicating conformance
  - Any known easements, restrictions or reversions on property
  - Any restrictions or reversions attached to the acquisition by Seller
  - Specific proposed use of property
  - Current location of proposed uses of property

\$\$\$ !!



# The Price is Right ...



Do not be these guys  
(but yes, you can  
negotiate)





# The Price is Right ... or is it?

**PARCEL INFORMATION TABLE**

Selected Parcel	<a href="#">M57_043</a> (Click for Complete Card)
Class Code (NOTE: Not Zoning Info)	C4
Taxing District	CITY
Acres	20.42

**OWNERSHIP INFORMATION**

Name	BRANCH BANKING & TRUST COMPANY
Mailing Address	PROPERTY TAX COMPLIANCE P O BOX 167 WINSTON SALEM, NC 27102
Situs/Physical Address	501 W MARTIN LUTHER KING J DR

**VALUES**

Land Value	\$65,800.00
Improvement Value	\$0.00
Accessory Value	\$0.00
Total Value	\$65,800.00

**LAST 2 SALES**

Date	Price	Reason	Qual
12-2010	\$71,500	FC	U
12-2007	\$231,000	FM	Q

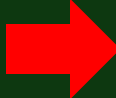
Website last updated September 24, 2011  
GIS Maps last updated May 27, 2011

Assessor's web site, Milledgeville, with assessments





# The Price is Right ... or is it?

CoStar results, Savannah, for sale 

1. Industrial Portfolio 3 Properties in portfolio <i>Properties cannot be sold individually</i>	Sale Price: <b>\$1,500,000</b> Price/SF: <b>\$87.01</b> Cap Rate: - Sale Type: <b>Investment</b>	Sale Status: <b>Active</b> Days On Market: <b>1,063</b> RBA: <b>17,240 SF</b>	Sales Company: <b>Mitchell &amp; Associates</b> Sales Contacts: <b>Vickie Mitchell (912) 232-0000</b>
2. Mixed Portfolio 2 Properties in portfolio <i>Properties cannot be sold individually</i>	Sale Price: <b>\$875,000</b> Sale Type: <b>Investment OR Owner</b> Cap Rate: -	Sale Status: <b>Active</b> Days On Market: <b>663</b>	Sales Company: <b>NAI Savannah</b> Sales Contacts: <b>J. Rex Benton (912) 358-5600 X3</b> <b>Richard Mopper (912) 358-5600</b>
3. Flex Portfolio 2 Properties in portfolio <i>Properties cannot be sold individually</i>	Sale Price: - Price/SF: - Cap Rate: - Sale Type: <b>Investment</b>	Sale Status: <b>Active</b> Days On Market: <b>525</b> RBA: <b>7,020 SF</b>	Sales Company: <b>Sperry Van Ness GASC</b> Sales Contacts: <b>Adam S. Bryant (912) 353-4101 X302</b>
4. Industrial Portfolio 2 Properties in portfolio <i>Properties cannot be sold individually</i>	Sale Price: <b>\$1,995,000</b> Price/SF: <b>\$153.46</b> Cap Rate: <b>8.86%</b> Sale Type: <b>Investment</b>	Sale Status: <b>Active</b> Days On Market: <b>98</b> RBA: <b>13,000 SF</b>	Sales Company: <b>Sperry Van Ness/Silveri Company</b> Sales Contacts: <b>Peter Colvin (616) 949-6168 X6</b>
5. 505 E 54th St Savannah, GA 31405 Office	Sale Price: <b>\$524,900</b> Price/SF: <b>\$34.37</b> Cap Rate: - Sale Type: <b>Investment OR Owner/User</b>	Sale Status: <b>Active</b> Days On Market: <b>855</b> RBA: <b>15,270 SF</b> % Leased: <b>0.0%</b>	Sales Company: <b>Colliers International   Savannah</b> Sales Contacts: <b>Danny S. Chase (912) 233-7111 X112</b>
6. 720 E 66th St Savannah, GA 31405 Office	Sale Price: <b>\$285,000</b> Price/SF: <b>\$40.71</b> Cap Rate: - Sale Type: <b>Owner/User</b>	Sale Status: <b>Active</b> Days On Market: <b>595</b> RBA: <b>7,000 SF</b> % Leased: <b>70.0%</b>	Sales Company: <b>Higgins Peter E</b> Sales Contacts: <b>Peter E. Higgins (912) 826-2999</b>
7. 905 E 69th St Savannah, GA 31405 Office	Sale Price: <b>\$1,250,000</b> Price/SF: <b>\$117.92</b> Cap Rate: - Sale Type: <b>Owner/User</b>	Sale Status: <b>Active</b> Days On Market: <b>1,231</b> RBA: <b>10,600 SF</b> % Leased: <b>0.0%</b>	Sales Company: <b>Kulp Mouchet</b> Sales Contacts: <b>Randy Kulp (912) 238-5416 X1</b>
8. 800 E 70th St Savannah, GA 31405 Office	Sale Price: <b>\$1,500,000</b> Price/SF: <b>\$163.24</b> Cap Rate: - Sale Type: <b>Investment</b>	Sale Status: <b>Active</b> Days On Market: <b>1,614</b> RBA: <b>9,188 SF</b> % Leased: <b>100.0%</b>	Sales Company: <b>CBT Commercial Realty/Cora Bett Thomas Realty</b> Sales Contacts: <b>David Minkovitz (912) 234-4406</b>
9. 123 Abercorn St Savannah, GA 31401 Office	Sale Price: <b>\$1,950,000</b> Price/SF: <b>\$196.97</b> Cap Rate: - Sale Type: <b>Owner/User</b>	Sale Status: <b>Active</b> Days On Market: <b>851</b> RBA: <b>9,900 SF</b> % Leased: <b>0.0%</b>	Sales Company: <b>PIER Commercial Real Estate</b> Sales Contacts: <b>Amanda Reeves (912) 353-7707 X110</b> <b>Anthony Wagner (912) 353-7707 X111</b>
10. 12020 Abercorn St Savannah, GA 31419 Office	Sale Price: <b>\$2,450,000</b> Price/SF: <b>\$131.81</b> Cap Rate: - Sale Type: <b>Owner/User</b>	Sale Status: <b>Under Contract</b> Days On Market: <b>78</b> RBA: <b>18,588 SF</b> % Leased: <b>0.0%</b>	Sales Company: <b>Gilbert &amp; Ezelle Real Estate Services, LLC</b> Sales Contacts: <b>Stephen D. Ezelle (912) 236-8992</b>
11. 111 Ann St Savannah, GA 31401 Industrial	Sale Price: <b>For Sale</b> Price/SF: - Cap Rate: - Sale Type: <b>Investment</b>	Sale Status: <b>Active</b> Days On Market: <b>713</b> RBA: <b>16,986 SF</b> % Leased: <b>0.0%</b>	Sales Company: <b>Colliers International   Savannah</b> Sales Contacts: <b>Ashley W. Smith (912) 233-7111 X105</b>

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10/16/2012  
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# The Price is Right ... or is it?

## Other sources of information



"Now remember, you can fool some of the people all of the time. Those are the ones you need to concentrate on."

Do not be these  
guy's customer

Brokers ...

but are they your friend?

Economic Development groups ... ditto

Shoe leather – know your neighbors



# The Price is Right ... or is it? Yep, it is if ...

First Rule of Negotiating – Never fall in love with a property. It is just dirt.

Second Rule of Negotiating – Always have a back up option or plan.



# Back to the due diligence...

The screenshot displays the University System of Georgia website. The navigation bar includes links for USG Home, Board of Regents, Chancellor, USG Institutions, Academics, Administration, External Affairs, Newsroom, and Policies & Reports. A search bar is located in the top right corner.

The main content area is titled "Due Diligence Guidelines Contents" and includes links for Introduction, Demolition, Disposition, Easement, Gifts, Acquisition, Rental as Tenant, and Rental as Landlord. The "Acquisition" link is highlighted with a red arrow.

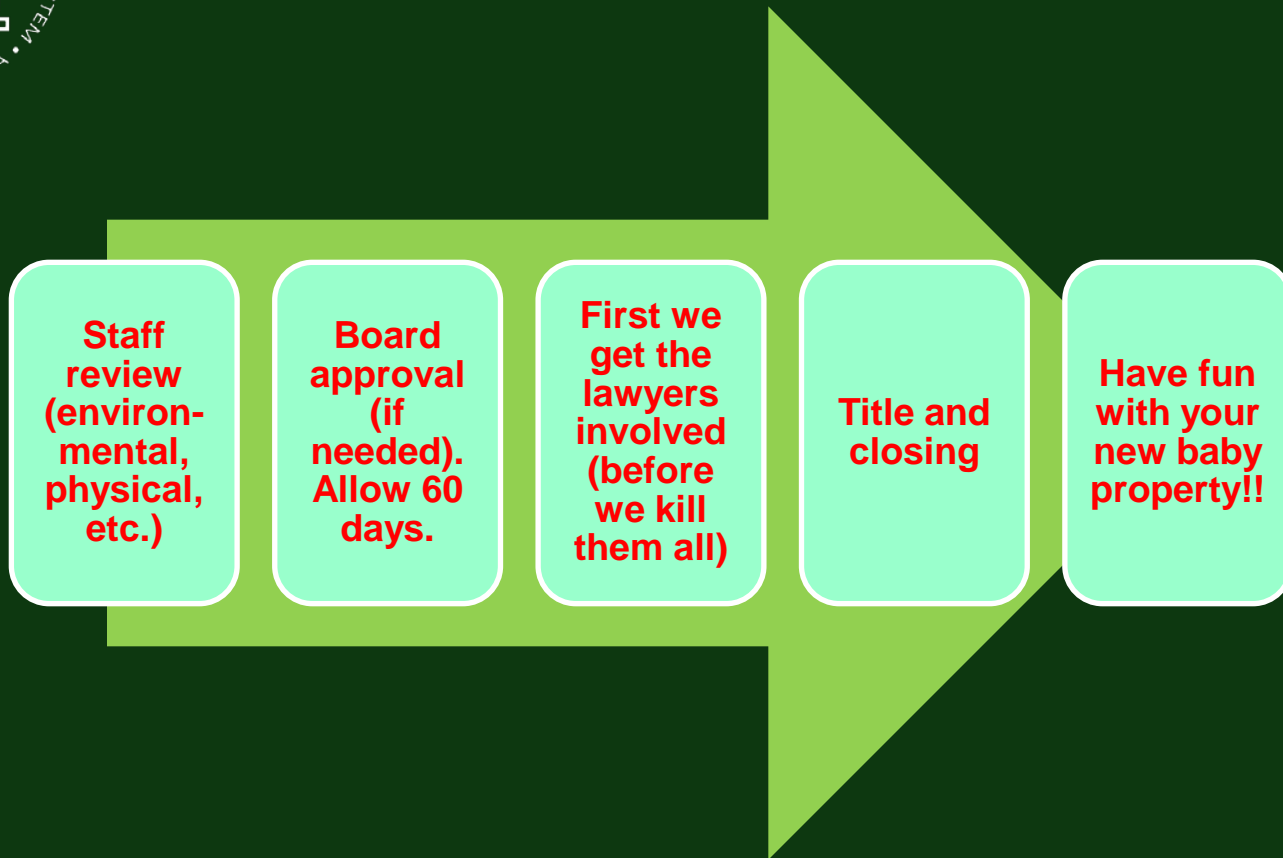
The "Due Diligence Guidelines: Acquisition of Real Property" section is shown, with a red arrow pointing to the "Application" heading. Below this heading, the text states: "This guideline is applicable for proposed purchases of real property, transfer of real property (to the Board of Regents), exchange of real property (for the acquisition portion only) and for Eminent Domain. For exchange of real property the guidelines for disposition should also be utilized."

The "Submittal Guidelines" section is highlighted with a red oval and lists the following requirements:

- A. [Three independent appraisals of property value](#) (One original of each)
- B. [Phase I Environmental Report](#) (Two originals)
- C. Facilities condition analysis of all physical improvements (One original)
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  6. Specific proposed use of property
  7. Current location of proposed uses of property



# On to the finish line...





More questions?