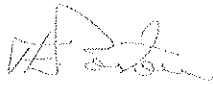


**MICHIGAN STATE
UNIVERSITY**

June 8, 2012

MEMORANDUM

To: Trustee Finance Committee
From: Fred L. Poston 
Subject: Sale of 15677 Niles Road Property, Clinton County

RECOMMENDATION

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees authorize the sale of approximately 1.24 acres of the Morris Property, located at 15677 Niles Road, Clinton County to Brian Raymond for \$33,000, with such other terms and conditions as may be acceptable to the Vice President for Finance and Operations and Treasurer.



BACKGROUND

In 2009, Michigan State University was gifted approximately 1,532 acres of land through the David C. Morris Living Trust No. 1. The land is located in Eagle Township and Watertown Township, Clinton County and Oneida Township and Delta Township, Eaton County, Michigan (the "Morris Property"). The majority of the Morris Property is subject to a long-term crop lease.

Per Mr. Morris' trust agreement, title to the Morris Property was conveyed to MSU, with MSU holding and managing the Morris Property under the terms of a memorandum of understanding between MSU and the Clark Retirement Community. Following deduction of its management and operating expenses, MSU divides any remaining proceeds of rentals and sales of the Morris Property with the Clark Retirement Community. Under the trust agreement and memorandum of understanding, forty-five percent (45%) of any such proceeds are paid to the Clark Retirement Community and MSU retains fifty-five percent (55%) of any such proceeds.

There is a vacant rental house situated on the 1.24 acres. The cost to renovate the house to a habitable state is approximately \$45,000 and the cost to demolish the house, including asbestos removal, is approximately \$64,000. The university has determined

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there is no value added in retaining this parcel long-term. The property appraised at \$31,000. The Clark Retirement Community is in agreement with this determination.

Proceeds received by MSU will fund one of four endowments created by Mr. Morris.

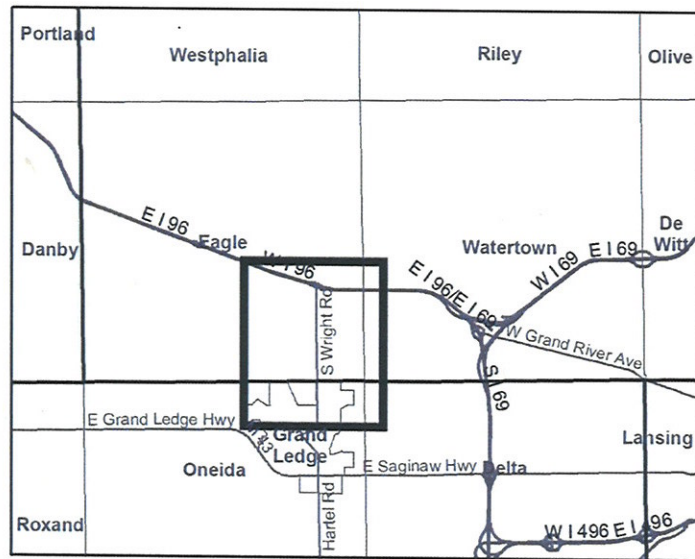
The Administration is recommending that the Board of Trustees accept this offer.

cc: R. Flinn, M. Haas, J. Kacos, G. Klein, B. Kranz, B. Latta, K. Lindahl, M. McCabe,
J. Mumma, R. Nestle, D. Quinney, C. Reid, B. Groves

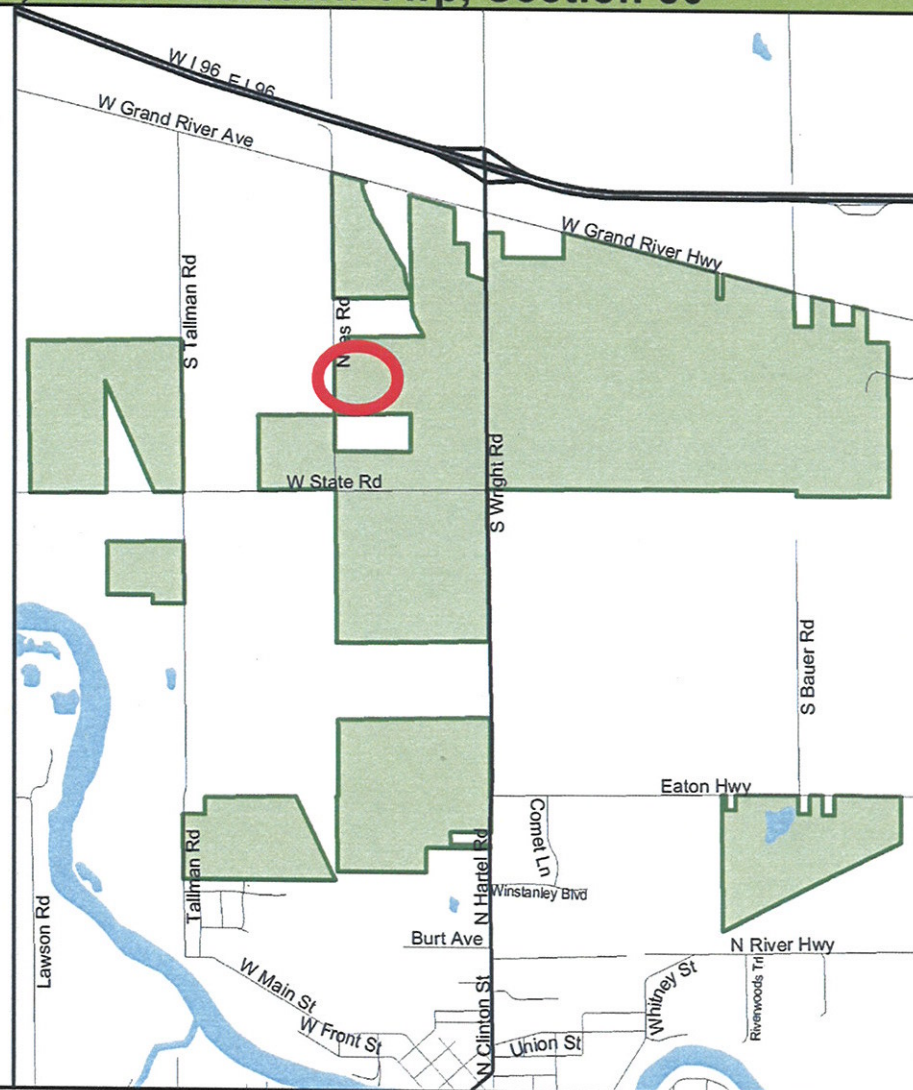
Morris Property

Oneida Twp, Sections 1 and 2; Delta Twp, Section 6; Eagle Twp, Sections 23, 25, 26, 27, 34, 35; and Watertown Twp, Section 30

Clinton County
&
Eaton County



MSU Real Property



Morris Property

15677 Niles Road, Eagle, Michigan

Image Year: 2010

