Board Policies 801 and 802 governing property acquisitions and disposal require an annual information report on acquisitions and dispositions of real property to be prepared for the Board of Trustees. Attached is the report for FY2013.

SUMMARY

Real Estate Transactions:

There was one Land Swap at the University of Maine, one Property Purchase at the University of Maine at Fort Kent and one Land Gift at the University of Maine at Machias during FY2013.

The UM Land Swap, approved by the Board of Trustees in November 4-5, 2012, was executed April 25, 2013. The University of Maine System received approximately 100 +/- acres of land from SSR, LLC, with an estimated market value at $80,000. In exchange, UMS transferred to SSR, LLC approximately 307 +/- acres with an estimated market value at $50,000.

The University of Maine at Fort Kent, with consent of the Board of Trustees on November 13, 2010, acquired the Fort Kent Armory from the State of Maine acting through the Department of Defense on November 19, 2012 at a cost of $150,000. The replacement value for this property is estimated to be $3,500,000. The State of Maine provided one-time funding to support the University’s purchase.

The University of Maine at Machias, with consent of the Board of Trustees on January 28, 2013, received a Gift of Land from the estate of Elizabeth DeShon Tibbetts by Transfer of Deed on March 25, 2013. An appraisal of this property, reported December 9, 2012, set a value at $167,000.

Leases Transactions:

As a Lessor, the University is engaged in agreements covering uses such as early education and childcare centers, research labs, innovation offices, and cell tower locations. As a Lessee, agreements include uses such as athletic fields, radio tower space, university college centers, office space, parking facilities, research locations and utility purposes.

Reported revenue from leases increased by approximately $8,506 or 2 percent, while the reported cost of leases statewide increased by approximately $49,617 or 3 percent.

Most of the reported increase in revenue is associated with contractual increases in existing leases.

In addition to the normal ebb and flow of lease costs, this year’s 3 percent increase is explained primarily by the formalizing of University’s lease and operation of longstanding 4-H learning centers approved by the Trustees in May, 2012.