



MEMORANDUM

January 4, 2023

University of Utah – Disposition of Property

Board Policy R704, *Disposal of Real Property*, requires the Board to approve institutional disposal of institutional property valued at greater than \$1,000,000. University of Utah (UU) requests Board approval to dispose of a condominium located at 165 6th Avenue, Unit 2701, San Diego, CA 92101.

The property was acquired as a gift from Kevin P. Gates in December 2021 to benefit the University's Athletics Department. The condo was leased to a residential tenant through September 2022, but the tenant has vacated the property per the lease. Minor repairs have been completed to prepare the unit for sale. Specifics of the condominium development and the unit are described in the attached material.

The UU obtained an appraisal of \$1.6 million in September 2022. The University intends to list the condo in January 2023 at the appraised value but is requesting approval to sell the condo unit for the highest offer received based on the fluctuating housing market in the San Diego, CA, area.

The University of Utah Board of Trustees approved the sale of the condo unit on December 13, 2022.

Commissioner's Recommendation

The Commissioner recommends the Committee authorize the University of Utah to dispose of the condominium located at 165 6th Avenue, Unit 2701, San Diego, CA 92101, for the highest offer received, which may be below appraised value and forward to the full Board for final approval.

Attachment

December 16, 2022

Commissioner Dave R. Woolstenhulme
Utah Board of Higher Education
The Gateway, 60 South 400 West
Salt Lake City, Utah 84101-1284

Dear Commissioner Woolstenhulme:

The University of Utah hereby requests advance approval from the Utah Board of Higher Education to sell the condominium located at 165 6th Avenue, Unit 2701, San Diego, CA, 92101, on the terms described below:

Background:

1. Unit 2701: a luxury condominium unit in San Diego
 - a. Located in a condominium development known as The Metropolitan San Diego, situated on the top floors of a high rise building at 165 6th Avenue, San Diego, CA, 92101
 - i. Omni Hotel: Floors 1-31
 - ii. Luxury condominiums: Floors 32-36
 1. Separate entrance for residents
 2. HOA fees \$1,800+ per month
 - iii. Located in San Diego's East Village (Ball Park) District and Gaslamp District:
 1. Across from the San Diego Convention Center
 2. Overlooks Petco Park
 3. Near Balboa Park
 - b. Gifted to the University by Kevin P. Gates in December, 2021 for the benefit of the University's Athletics Department
 - i. Condo was leased to a residential tenant through September, 2022
 1. Tenant has vacated the property per the Lease
 2. Small repairs have been completed to prepare the condo for sale
 - c. Appraised value of condo: \$1,600,000 in September, 2022

Request:

The University intends to list the condo for sale in January at appraised value of \$1,600,000. We are requesting approval in advance to sell the condo for highest offer received which may be below appraised value given the fluctuating housing market in San Diego, CA.

Our Board of Trustees reviewed and approved this matter on December 13, 2022. We request approval for the University to sell the property as outlined above.

As always, thank you for your consideration and support.

Sincerely,



Cathy Anderson
Chief Financial Officer and Vice President
for Administrative Services

c: Taylor R. Randall
Juliette Tennert
Malin Francis
John Creer