



University Policy 03-200

Real Property

1. Policy Statement

- 1.1. This university policy establishes the procedures that will be followed by the university to acquire, convey, lease, encumber and manage real property interests of the university.
- 1.2. Additionally, this policy articulates which activities are delegated to the president, and which activities are reserved for the Board.

2. Reason for Policy

- 2.1. The Board has delegated to the president of the university or their designee authority to undertake all lawful activities to further the operation of the university, with the exception of the activities reserved for the Board.
- 2.2. This university policy related to real property creates open and transparent processes as they relate to assets of the university and aligns the university's procedures with state law related to real property.

3. Scope & Audience

- 3.1. This policy provides guidance relating to the real property under the control and management of the university.

4. Definitions

- 4.1. **Board:** The Board of Trustees of Oregon State University.
- 4.2. **President:** The president of the university or their designee.
- 4.3. **Real property:** All real property together with any and all improvements thereon.

5. Responsibilities & Procedures

5.1. Records

- 5.1.1. The university will maintain resources to access government and other records that affect acquisition, leasing, selling, or encumbering the real property.

5.2. Purchase of Real Property

- 5.2.1. All purchases of real property will support the mission of the university.
- 5.2.2. Legal title to all real property purchased must be taken and held in the name of The State of Oregon, acting by and through the Board of Trustees of Oregon State University.
- 5.2.3. The Board has delegated to the president the authority to execute instruments related to the purchase of real property after the following have been performed to the satisfaction of the president:
 - a. Obtain at least one appraisal by a licensed and experienced real estate appraiser estimating the fair market value;
 - b. Complete an environmental assessment and determine that any environmental risk associated with the real property is reasonable; and
 - c. Determine that sufficient ongoing funds are available to operate and maintain the real property.
- 5.2.4. If the consideration for the purchase is over \$5 million, the president must receive the prior approval of the Board.

5.3. Gifts of Real Property

- 5.3.1. Legal title to all real property gifted to the university must be taken and held in the name of The State of Oregon, acting by and through the Board of Trustees of Oregon State University.
- 5.3.2. The Board has delegated to the president the authority to execute instruments related to the gift of real property after the following have been performed to the satisfaction of the president:
 - a. Complete an environmental assessment and determine that any environmental risk associated with the real property is reasonable under the circumstances;

- b. Determine that sufficient ongoing funds are available to operate and maintain the real property.

5.3.3. If the president believes the fair market value of the gift of real property is over \$5 million, the president must receive the prior approval of the Board before accepting the gift.

5.4. **Condemnation**

5.4.1. Acquisition of real property by condemnation must be conducted in accordance with ORS Chapter 35 and must be approved by the Board.

5.5. **Disposition of Real Property**

5.5.1. The Board has delegated to the president the authority to execute instruments related to the disposition of real property. The following must be performed to the president's satisfaction, prior to closing:

- a. Obtain at least one appraisal by a licensed and experienced real estate appraiser estimating the fair market value;
- b. Board Chair signature must be obtained on the deed.

5.5.2. If the consideration for the disposition is over \$5 million, the president must receive the prior approval of the Board.

5.6. **Easements**

5.6.1. The Board has delegated to the president the authority to execute easements and other nonpossessory interests in real property.

5.7. **Leases**

5.7.1. The Board has delegated to the president the authority to execute leases of real property, whether lessor or lessee.

5.7.2. If the consideration for the lease exceeds \$15 million in base rent under the initial term of the lease or the initial term of the lease exceeds 15 years, the president must receive the prior approval of the Board. Except for amendments that exceed these thresholds independently, the Board has delegated to the president the authority to amend leases.

5.8. **Tax Exempt Financing**

5.8.1. In granting an easement, lease, or disposition of real property, when appropriate, the president shall verify whether any tax-exempt financing was

used to purchase or improve the real property and, if any such debt remains outstanding, ensure continued compliance with IRS regulations.

6. Forms & Tools

- 6.1. None.

7. Frequently Asked Questions

- 7.1. *How does Leasing and Strategic Real Property Management determine fair market value with respect to gifts of real property?* Department staff will present to the president the following, to the extent available:
- 7.1.1. Appraisal, if reasonably available through the donor;
- 7.1.2. County tax assessor's records; or
- 7.1.3. Market analysis.

8. Related Information

- 8.1. BOARD RESOLUTION NO. 21-07 *Delegating Authority to the University*:
https://leadership.oregonstate.edu/sites/leadership.oregonstate.edu/files/211008_a_dopted_resolution_delegation_of_authority_amendments.pdf
- 8.2. University Policy 03-001 *Contract Signature Authority*:
http://policy.oregonstate.edu/UPSM/03-001_contract_signature_authority. Stating that the Director of Leasing and Strategic Real Property Management is the approval authority for real property transactions as described in this policy.
- 8.3. For additional information regarding real property, please refer to Oregon State University's [Facilities, Infrastructure and Operations](#) web pages.

9. History

- 9.1. Adopted: Oregon State University adopted University Policy 580-060 *Real Property, Facility and Campus Planning* from Oregon Administrative Rule 580-060 *Real Property, Facility and Campus Planning* on July 1, 2014.
- 9.2. Revised: University Policy 580-060 *Real Property, Facility and Campus Planning* was revised on October 26, 2017.

9.3. Revised: University Policy 580-060 *Real Property, Facility and Campus Planning* was revised and renumbered as University Policy 03-200 *Real Property* on December 14, 2022.

9.4. Next scheduled review date: December 2025.

10. Website

10.1. https://policy.oregonstate.edu/policy/UPSM/real_property.

11. Contacts

Department	Phone Number	Website
Leasing and Strategic Real Property Management	541-737-9635	https://fa.oregonstate.edu/real-estate