

<b>SUBJECT:</b> Real Estate Transactions	<b>Effective Date:</b> 11/28/2016	<b>Policy Number:</b> 3-125	
	<b>Supersedes:</b>	<b>Page</b> 1	<b>Of</b> 3
	<b>Responsible Authority:</b> Vice President for Administration and Finance and Chief Financial Officer		

## APPLICABILITY

This policy applies to all Education & General, Contracts & Grants, Direct Support Organization, Auxiliary, and other UCF-related entity real estate transactions.

## POLICY

The purchase and lease of real property is regulated by state law, and university and Board of Governors regulations. To ensure compliance with applicable laws and regulations, all real estate transactions will be centrally managed by the Office of Contracts and Real Estate Management. Lease arrangements and lease payments will also be coordinated with the Office of Space Planning, Analysis, and Administration. All members of the university community must seek review and approval by Office of Contracts and Real Estate Management (OCREM) prior to purchasing or disposing of real property, leasing space off-campus, or leasing space on-campus, per the procedures of this policy.

## DEFINITIONS

**Lease.** A contractual obligation to occupy a property for a specific term, and the transfer of a leasehold interest in the property from the landlord to the tenant. A lease differs from a short term space rental accomplished through a Facilities Use Agreement.

**Real Estate Transaction.** a) The purchase or disposition of real property by UCF; b) the lease of space in a facility not owned or operated by the university, with UCF as tenant; or c) the lease of space in a university-owned or controlled facility, with UCF as landlord.

**Requestor.** Any university department, employee, or individual acting on behalf of the university who desires to enter into a Real Estate Transaction.

## **PROCEDURE**

### **A. Purchase or Disposition of Real Property**

OCREM shall be notified no less than 30 days prior to the purchase of real property in order to conduct an assessment of the property's condition. OCREM shall also be notified at least 30 days prior to the disposition of any real property.

### **B. Leasing Space Off-Campus (UCF as Tenant)**

Requestors seeking additional space should first contact Office of Space Administration (SA) to determine whether space exists, or could be created, on campus prior to leasing off-campus space.

If it is determined that space is not available on campus, requestors will be referred to OCREM for assistance in locating appropriate space off-campus.

If the Requestor has already located space off-campus, OCREM will provide guidance on the benefits and liabilities of such space. If the Requestor has already obtained a draft lease, it shall be forwarded to OCREM for review by OCREM and Office of the General Counsel. The Requestor will provide adequate time for negotiation of the terms of the lease prior to the Requestor's desired move-in date.

Once all lease terms have been finalized and approved by the Office of the General Counsel, OCREM will forward the lease to either the provost and executive vice president, or the vice president for administration and finance and chief financial officer for signature.

NOTE: All renewals or extensions on existing lease space must be reviewed and approved by OCREM prior to their execution.

The SA office processes all lease payments on behalf of the university, including leases paid from central university funds and leases paid from departmental funds. If, in developing a proposal to lease space off campus, a department requires funding assistance from central university resources, the department must seek such funds through a request to the university budget committee and obtain funding approval before a lease can be signed.

### **C. Leasing Space On Campus (UCF as Landlord)**

University-owned or operated buildings, or parts thereof, acquired with Education & General funds may not be leased to entities not affiliated with UCF, with the exception of incubator facilities approved by the state and managed by the Office of Research and Commercialization.

### **D. Exemptions**

The provost and executive vice president and vice president for administration and finance

and chief financial officer may grant certain exceptions to this policy and shall notify OCREM in writing upon approval of any exceptions.

### RELATED INFORMATION

Florida Board of Governors Regulations 1.001 and 17.001; UCF Regulations UCF-7.203 and 7.209; Sections 1013.15 and 1013.171, Florida Statutes.

### INITIATING AUTHORITY

Vice President of Administration and Finance and Chief Financial Officer

POLICY APPROVAL (For use by the Office of the President)	
Policy Number: <u>3-125</u>	
Initiating Authority: <u>Will F. Menke</u>	Date: <u>11-23-16</u>
University Policies and Procedures Committee Chair: <u>Donda L Bishop</u>	Date: <u>11/23/16</u>
President or Designee: <u>Jim C. Hill</u>	Date: <u>11/28/16</u>