

August 10, 2023

TO: THE DISTRICT BOARD OF TRUSTEES OF VALENCIA COLLEGE

FROM: DR. KATHLEEN PLINSKE PRESIDENT

RE: SALE OF DISTRICT OFFICE AND ADJACENT LAND

In August 2012, the building currently referred to as the District Office (DO) located at 1768 Park Center Drive, Orlando, Florida, was acquired by the Valencia College Foundation for \$3.1M and leased to Valencia College. In addition, a 7.754-acre parcel of undeveloped land adjacent to the DO was acquired by the College at the same time for \$2.4M. Over the years, multiple building enhancements have been made by the College. The College exercised its option to purchase the DO from the Foundation in 2022 for a pre-negotiated price of \$6,762,385.

On October 13, 2022, the District Board of Trustees of Valencia College authorized the disposal and sale of the DO and adjacent land properties. To assist in analyzing the estimated value in current and relevant market, three appraisals have been received from local appraisers that provide their respective opinions of the combined appraised values for the DO and adjacent land properties.

In consultation with the commercial real property broker from Jones, Lang, LaSalle retained by the College to assist with this transaction, it has been determined that given current market conditions for similar properties and projected market trends, the offer from the prospective purchaser is competitive and worthy of consideration.

RECOMMENDED ACTION:

The President recommends that the District Board of Trustees authorize the College to sell the District Office property and the adjacent undeveloped land to Falcon's Treehouse, L.L.C. for \$10.3 million and enter into a purchase and sale agreement consistent with the deal points specified in the attached written summary, as presented.

Kattleen Plinste

President

The District Board of Trustees of Valencia College

Proposed Contract for Purchase and Sale – District Office Building/Adjacent Land

August 10, 2023			
PARTIES:	Buyer:	Falcon's Treehouse, L.L.C.	
<u>Seller:</u>		The District Board of Trustees of Valencia College, Florida	
PROPERTY:		Three (3) adjacent parcels of real property consisting of approximately $7.76\pm$ acres ($5.98\pm$ Net Developable acres) located on the corner of South Hiawassee Road and MetroWest Boulevard. Property contains two undeveloped parcels and one parcel consisting of a 1.84-acre commercial site improved with a 5-story office building containing $53,604\pm$ square feet of gross leasable area (gross building area is 75,928 square feet) with first floor parking garage, built in 1999.	
PURCHASE PRICE:		Ten Million Three Hundred Thousand and 00/100 Dollars (\$10,300,000.00), including a One Hundred Thousand and 00/100 Dollars (\$100,000.00) deposit.	
APPRAISALS:		Three (3) appraisals received by College for the building and adjacent undeveloped land, with appraised values of \$14,090,000, \$11,850,000, and \$11,100,000.	
PURCHASE TIMELINE:		Effective Date: Inspection Period: Closing Date:	Date of Execution of Agreement 60 Days, starting on Effective Date 30 Days after expiration of Inspection Period
TITLE FEES/TAXES:		Consistent with local custom in commercial transactions, Valencia is responsible for procuring the Title Commitment for an Owner's Policy of Title Insurance and paying all applicable taxes assessed for the conveyance of the Property.	
DUE DILIGENCE:		During the Inspection Period, Valencia will provide Buyer with certain documents, including all prior surveys, title insurance policies, environmental site assessment(s), plans, CAD drawings, specifications and engineering reports, electrical and internet specifications and drawings, any and all information relating to the operation of the Property, and Buyer may perform such inspections of the Property as may be required.	
BROKERS:		Buyer - Susan Morris/Kane Morris-Webster of Resource Development Investment Properties, Inc.Seller - Darryl Hoffman of Jones, Lang, LaSalle	