

**Guidelines for Real Estate Transactions****Purchase of Real Property:**

1. Appraisal of real property by properly certified appraiser.
2. Administrative decision to buy or sell is made by the Chancellor under the advice of Vice Chancellor for Finance and Administration.
3. After the decision to purchase property is made, an offer to purchase is made to seller, contingent upon Board of Trustees approval and a satisfactory environmental study.
4. Estimates of costs to remove any contaminants, if any, should be considered in the estimated acquisition cost for the property.
5. University of Arkansas Board of Trustees resolution regarding the real estate purchase must be adopted by the Board.
6. A Method of Finance (MOF) must be filed and approved prior to purchase of real property costing \$250,000 or more.
7. Under advice from the University of Arkansas General Counsel the following steps are normally taken after Board approval to purchase property:
  - a. Commitment of Title Insurance is obtained from a title/abstract company.
  - b. The University's General Counsel reviews the Title Commitment and also forwards the Commitment to the State of Arkansas Office of the Attorney General for their review and Confirming Title Opinion.
  - c. Closing date is set/confirmed. NOTE: UA is exempt from payment of revenue stamps on real estate transactions per Arkansas Act 754 of 1983.
  - d. Following closing:
    - (1) Record deed. Closing company or University files and records deed in County Office.
    - (2) Title Insurance from closing/abstract company is filed in Property Accounting's Property Purchase File.
    - (3) Notify County Tax Assessor's office to remove real property from tax rolls.

**Sale of Real Property:**

1. Sales of property are handled according to the method of the acquisition:
  - a. Donated Property:

In accordance with Ark. Code Ann. Sec. 6-64-218, the UA Board of Trustees has the power to sell donated land without state approval or control.

- b. Purchased Property:  
After the sale is authorized by the Board of Trustees, it is handled in accordance with current applicable State laws.

Revised September, 2002

Revised April 20, 1993

February 21, 1986