

AUTHORITY TO APPROVE AND EXECUTE REAL ESTATE TRANSACTIONS FOR UNIVERSITY-RELATED PURPOSES

Transaction Type	President's Maximum Authority with Concurrence of Board Chairs ¹	President's Maximum Authority Alone	Executive Vice President – Business Operations Maximum Authority	(A) VP – Budget & Capital Resources and (B) Associate VP-- Capital Resources Management Maximum Authority	Chancellors, Laboratory Director, Vice President -- Agriculture and Natural Resources Maximum Authority
Acquisitions (incl. Gifts)	Pursuant to Standing Order ("S/O") 100.4 (gg) \$60 million ⁶	Pursuant to S/O 100.4 (gg) \$20 million ⁶	Pursuant to DA 2237 - \$20 million ⁶	Pursuant to DA 2237A and DA 2237B - \$5 million ⁶	None
Dispositions	Pursuant to S/O 100.4 (gg) \$60 million ⁶	Pursuant to S/O 100.4 (gg) \$20 million ⁶	Pursuant to DA 2237 - \$20 million ⁶	Pursuant to DA 2237A and DA 2237B - \$5 million ⁶	None
Ext. Financing - Acquisition	Pursuant to S/O 100.4 (nn)(1) \$20 million	Pursuant to S/O 100.4 (nn)(1) \$10 million	None ⁷	None ⁷	None ⁷
Easements & Rights of Way	No Additional Authority	Pursuant to Standing Order 100.4(jj) : Approve and execute all easements ⁶	Pursuant to DA 2234 : Approve and execute all easements ⁶	Pursuant to DA 2234A and DA 2234B : Approve and execute all easements ⁶	Pursuant to DA 2233 - Approve and execute easements and rights-of-way ² that: <ul style="list-style-type: none"> (i) are revocable on not more than 180 days' notice, or (ii) provide utility services to the campus <u>exclusively</u>, regardless of revocability, or (iii) comprise less than 5,000 square feet of campus land; and <ul style="list-style-type: none"> ◆ Are not conveyances of a fee interest in real property
Leases	No Additional Authority	Pursuant to Standing Order 100.4(cc) : Approve and execute leases with Term no more than 20 years, excluding options ⁴ when UC is Tenant but including options when UC is Landlord ⁶	Pursuant to DA 2235 : Approve and execute leases with Term no more than 20 years, excluding options ⁴ when UC is Tenant but including options when UC is Landlord ⁶	Pursuant to DA 2235A and DA 2235B : Approve and execute leases with Term no more than 20 years, excluding options ⁴ when UC is Tenant but including options when UC is Landlord ⁶	Pursuant to DA 2231 - Approve and execute campus leases and amendments exercising options² that: <ul style="list-style-type: none"> (i) have a term of ≤10 yrs, excluding options⁴, when UC is Tenant, and including options when UC is Landlord, and (ii) have a base annual consideration that does not exceed \$500,000 for the initial year, and (iii) if the initial year base annual consideration exceeds \$500,000, the agreement must either be on (1) a University standard form lease or (2) a form agreement that has been reviewed and approved by RESG and OGC; and <ul style="list-style-type: none"> ◆ Are not constituted as a lease-purchase transaction or a lease transaction with a purchase option
Licenses	No Additional Authority	Pursuant to Standing Order 100.4(jj) : Approve and execute all licenses ⁶	Pursuant to DA 2234 : Approve and execute approve and execute all licenses	Pursuant to DA 2234A and DA 2234B : Approve and execute approve and execute all licenses	Pursuant to DA 2232 - Approve and execute licenses ² that: <ul style="list-style-type: none"> ◆ (i) are revocable on not more than 180 days' notice; or (ii) have an initial term that does not exceed 10 years excluding options when UC is licensee and including options when UC is licensor; and (iii) have a base annual consideration that does not exceed \$500,000 for the initial year, or (iv) if the initial year consideration exceeds \$500,000, the agreement must either be on (1) a University standard form license or (2) a form license that has been reviewed and approved by the appropriate risk manager, or (3) a form license that has been reviewed and approved by RESG and OGC; and <ul style="list-style-type: none"> ◆ Are not for purposes of facilitating 3rd party development of projects on campus for gift, sale or lease to the campus

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Ground Leases	None ³	None ³	None ³	None ³	None ³
Mineral Rights and Geothermal Resources	No Additional Authority	Pursuant to S/O 100.4(kk) : Approve for mineral leases with land rent not to exceed \$500,000/year	Pursuant to DA 2236 : Approve mineral leases with land rent not to exceed \$500,000/year	Pursuant to DA 2236A and DA 2236B : Approve mineral leases with land rent not to exceed \$500,000/year	None

THE BOARD OF REGENTS HAS AUTHORIZATION TO APPROVE ANY TRANSACTION, INCLUDING THOSE ABOVE THESE LIMITS.

¹ Chairman of the Board of Regents and Chairman of the Finance Committee.

² Provided that the documents are standard forms without significant changes, or other documents approved as to form by University Counsel.

³ Where: (i) the ground lease term does not exceed 20 years, excluding options, and (ii) the leased land is used for University-related purposes, then the President or his or her designee has authority to approve and execute a ground lease. There is no delegation to the Chancellors to negotiate, approve or execute ground leases. Typically, ground lease terms are in excess of 20 years.

⁴ Leases with options totaling an ultimate term of more than 20 years are unusual. Leases with long initial terms, long terms including options where the options are on favorable terms and/or leases with substantial improvements paid for by UC may trigger a capital lease determination. Exercise of options to extend the term of a lease (UC as Tenant) are deemed to be **NEW DECISIONS** and as such require the same due diligence as a new lease. Consequently, those options are deemed **new leases for purposes of determining approval and execution authority. Exercise of extension options shall be memorialized in a lease amendment or other document approved by University Counsel.** The exercise of options in leases approved by The Regents shall be governed by the terms of that approval.

⁵ The UC Guidelines on Capital Leases ("Guidelines") state that options to extend a lease may be considered part of the lease term if the rental for those options is potentially less than market rent or the University may have paid for excessive tenant improvements not considered fully amortized. Specifically, if at lease commencement it is evident that the rent or other terms of the option are sufficiently favorable that exercise of the option is reasonably assured, then the option term(s) must be included in the lease term for the 90% test described in the Capital Lease Criteria of the Guidelines.

⁶ The Amendment of Standing Order 100.4 that delegated increased authority to the President is scheduled to be reviewed by The Regents and this delegation is subject to that review.

⁷ Pursuant to [DA 2238](#): the Executive Vice President–Chief Financial Officer or Vice President–Finance have authority to approve external financing up to \$10 million.