

# REAL ESTATE TRANSACTIONS PROCEDURE

## SCOPE

This Procedure applies to real estate transactions undertaken in the name of Monash University and any Monash University wholly owned subsidiary.

## PROCEDURE STATEMENT

The University is committed to maintaining operational control and oversight of its property assets and ensuring that real estate transactions are conducted consistently and to the highest standards of probity in a way which preserves and promotes integrity, impartiality, accountability and transparency, in accordance with relevant legislation and applicable government policies and guidelines. As part of this commitment, the University will consider and conduct all real estate transactions centrally through the Office of the Chief Operating Officer, by the Buildings and Property Division.

This procedure describes how to request a real estate transaction and the steps involved to progress that transaction through to implementation. Matters relating to the renegotiation, extension or makegood of existing real estate transaction agreements will be initiated by the Buildings and Property Division in advance of the agreement expiry.

## 1. Identify and substantiate

- 1.1 All requests for real estate transactions are to be documented and must include:
  - 1.1.1 How the operational needs and/or strategic drivers for the business unit justifies a real estate transaction to be conducted. This should include how the business needs contribute toward the University's strategic plan.
  - 1.1.2 The real estate requirements to meet the business need. For example:
    - the spatial requirement (size, type, amenities etc.);
    - desired location or region; and
    - car parking requirements.
  - 1.1.3 How the proposed real estate transaction will be funded including:
    - anticipated annual amount (expenditure or revenue);
    - if this real estate transaction will be an additional expenditure, how will this expenditure be funded (or offset by increased revenue);
    - in principle support from the Office of the Chief Financial Officer.
  - 1.1.4 Any expected terms of the real estate transaction agreement:
    - the anticipated start and finish dates; and
    - maximum annual expenditure limit for the proposed real estate transaction agreement (if applicable).
  - 1.1.5 The details of any third party(ies) that have been involved in early discussions with respect to the proposed real estate transaction.

## 2. Submit request

- 2.1 Submit your request to Buildings and Property Division via the [Request for Real Estate Assistance Form](#).
- 2.2 Requests should be lodged well in advance of the expected start date of any real estate transaction agreement, noting validation, negotiation and execution of real estate transactions can take 3 – 6 months or longer in some instances.

### 3. Request consideration

- 3.1 All request details will be validated and considered by the Chief Operating Officer or delegate prior to the commencement of real estate transaction negotiations. Buildings and Property Division will notify the requestor of the decision.
- 3.2 Consent provided by the Chief Operating Officer or delegate to progress the real estate transaction should not be considered as final approval for the real estate agreement to be executed. Final approvals are sought during Transaction approval, refer section 5 below.

### 4. Negotiate terms

- 4.1 Buildings and Property Division will negotiate the commercial terms, and the Office of the General Counsel will establish the legal terms and conditions for the real estate transaction agreement.
- 4.2 Buildings and Property Division will consult with the requestor on matters where clarification or additional information is required.
- 4.3 When negotiations are finalised and the Office of the General Counsel has approved the legal terms, Buildings and Property Division will issue a summary of Agreement Terms to the requestor for review and endorsement prior to submission for real estate transaction approval.

### 5. Transaction approval

- 5.1 Buildings and Property Division will seek approval from the Chief Operating Officer or delegate for the real estate transaction to proceed to obtain relevant approvals and endorsements in accordance with all relevant delegations and approval requirements.
- 5.2 The requestor will be informed of the transaction approval decision and the expected implementation date (for approved transactions only).

### 6. Implement the agreement

- 6.1 Buildings and Property Division will manage the real estate transaction agreement execution process.
- 6.2 All real estate transaction agreements must be signed by the Vice-Chancellor, or the Chief Operating Officer, or delegate, in conformity with all relevant delegations and approval requirements.

## DEFINITIONS

<b>Real Estate Transactions</b>	Transactions involving the purchase, sale, leasing (new and existing) and/or licensing (whether as tenant, landlord, licensee, vendor, purchaser or guarantor) of buildings or land. Short term event and venue hire transactions (<3 months) are excluded from this policy.
---------------------------------	--

## GOVERNANCE

Parent policy	<a href="#">Real Estate Transactions Policy</a>
Supporting schedules	N/A
Associated procedures	N/A
Legislation mandating compliance	<a href="#">Estate Agents Act 1980 (Vic)</a> <a href="#">Residential Tenancies Act 1997 (Vic)</a> <a href="#">Retail Leases Act 2003 (Vic)</a> <a href="#">Monash University Act 2009 (Vic)</a> , esp. Part 6, s.37, Disposal of land <a href="#">Sale of Land Act 1962 (Vic)</a>
Category	Operational
Approval	Chief Operating Officer and Senior Vice-President 1 September 2020
Endorsement	Vice President Campus Services and Infrastructure 28 August 2020
Procedure owner	Executive Director, Buildings and Property Division
Date effective	30 September 2020



Review date	30 September 2023
Version	2.0
Content enquiries	<a href="mailto:propertyandleasing-au@monash.edu">propertyandleasing-au@monash.edu</a>