

Deep in Debt, Life Proposes Sale of Campus

Editorial Staff

What do you do when faced with nearly \$31 million of debt? If you're Life University, you do what was once considered unthinkable: sell your 89-acre Marietta campus.

The proposed sale will transfer ownership of the campus to the fundraising foundation at neighboring Southern Polytechnic State University, relieving Life of \$30.7 million in bond debt and allowing the school to continue the rebuilding process that began in February 2003, when its accreditation was reinstated. Life's accreditation with the Southern Association of Colleges and Schools (SACS) remains on probation until December 2004; university officials consider the sale a key step in retaining SACS accreditation.

"[Accreditation] is tied to the greater issue of how an institution utilizes its resources, noted Life President Dr. Ben DeSpain. It does not make or break the accreditation issue, but it is directly connected."

Under terms of the proposed arrangement, Life will be allowed to continue its operations by leasing approximately 50 percent of the property, including the classroom buildings; after five years, the university will have the option to repurchase the buildings, with final ownership transferred after eight years.

"While no one in the Life family wants to sell the campus, this is a great opportunity to divest ourselves of \$30 million in debt," said Thomas Klapp, DC, a member of Life University's Board of Trustees. "This will position ourselves for success from this point. Life has the option to buy back as much of the campus as we need in the future."

Lisa Rossbacher, president of Southern Polytechnic State University, said the university's foundation hopes to complete the purchase by June, pending approval by the Georgia Board of Regents. Southern Polytech plans to use the property for laboratories, classrooms, recreation facilities and student housing.

The Life University campus was appraised at \$52 million in 2002.

Resources

1. Deal signals hope at Life University. Sale of campus would take care of school's \$30.7 million debt. *The Atlanta Journal-Constitution*, Nov. 20, 2003.
2. Life gets preliminary injunction: judge retroactively re-establishes university's CCE accreditation. *Dynamic Chiropractic*, March 10, 2003.
www.chiroweb.com/archives/21/06/09.html.
3. Life U. proposal would relieve debt. *Marietta Daily Journal*, Nov. 20, 2003.
4. Correspondence with *Dynamic Chiropractic*, Dec. 2, 2003.
5. Life to sell most land to state university. *The Atlanta Journal-Constitution*, Nov. 19, 2003.

For a comprehensive review of Life University's accreditation woes, please visit www.chiroweb.com/archives/21/16/10.html.

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