



August 30, 2016

MEMORANDUM FOR: REGIONAL COMMISSIONERS, PBS
REGIONAL LEASING DIRECTORS
REGIONAL LEASING ACQUISITION OFFICERS

8/30/2016

X James C. Wisner

James C. Wisner

Signed by: General Services Administration

FROM: JAMES C. WISNER
Assistant Commissioner for Office of Leasing – PR

SUBJECT: LEASING ALERT – Change of Ownership

1. **Purpose.** This Leasing Alert provides guidance to the leasing community on the appropriate process to follow when effecting a change of ownership.
2. **Background.**
 - a. This Leasing Alert establishes standards and creates consistency when ownership changes occur in GSA's leased inventory to ensure payment is made to the proper vendor in a timely fashion. GSA's contract with a Lessor, and subsequent payment, should continue until such time a Lease Contracting Officer signs a lease amendment effecting a change to a new owner. The lease amendment must use an effective date of the first day of the month following date of signature, and the R620 must be processed immediately after execution.

Lease Contracting Officers must never retroactively effect a change of ownership.

3. **Effective Date.** This Leasing Alert is effective on the date of issuance unless modified, cancelled, or reissued.
4. **Cancellation.** None.
5. **Applicability.** This Leasing Alert is mandatory and applies to all GSA real property leasing activities.
6. **Instructions and Procedures.** Instructions and procedures are as follows:
 - a. It is incumbent upon the original Lessor and new building owner to notify GSA of a change of ownership and to provide the necessary documentation supporting the change of Lessor (See Leasing Desk Guide Chapter 17, Lease Administration, for further details regarding the required documentation).
 - b. The Lease Contracting Officer must establish and sign the lease amendment effecting the change of Lessor resulting from the change of ownership, and the subsequent R620 must be processed immediately after execution of the lease amendment.
 - 1) The effective date of the change must be the first day of the following month to ensure timely processing with USDA Financial Services.
 - c. Do not stop lease payments while a change of ownership is pending. Lease payments should continue to the original lessor until such time as the change of ownership has been completed and a lease amendment has been executed.

The Office of Leasing will be providing more detailed information concerning this guidance in an update to Leasing Desk Guide Chapter 17, Lease Administration, to be issued in the future.