

PXG offense

PX-2001-03

September 21, 2001

MEMORANDUM FOR ALL REAL PROPERTY LEASING ACTIVITIES
(PX DISTRIBUTION LIST)

FROM: PAUL M. LYNCH */s/ Henry Singer*
ASSISTANT COMMISSIONER FOR
BUSINESS PERFORMANCE PX

SUBJECT: Guidance on Use of the SFO and Lease Forms

1. Purpose. This real property letter issues guidance on use of the SFO and lease forms
2. Background.
 - a. GSA began using solicitations for offers (SFOs) with GSA Forms 3516, 3517, and 3518 for leases over 10,000 square feet and Small Lease SFOs and related forms for leases up to 10,000 square feet in 1984.
 - b. GSA initiated the use of Expedited Leases for leases up to \$25,000 in 1991. Simplified Leases replaced Expedited Leases in 1994 when the Federal Acquisition Streamlining Act of 1994 authorized use of Simplified procedures for leases up to \$100,000 net annual rental.
 - c. In 1997 the Assistant Commissioner for Property Acquisition and Realty Services gave GSA regions greater flexibility to choose the size of solicitation and forms that are used in each lease. The authority included use of the incorporation of provisions and clauses by reference. This letter extends the flexibility on use of solicitations and forms.
3. Effective Date/Expiration Date. This real property letter is effective on the date of issuance, and will expire in 1 year unless otherwise extended or canceled.
4. Cancellation. PER-97-02, *Revised SFO, Lease Forms, and Procedures for Can't Beat GSA Leasing*, is canceled.
5. Coverage. All real property leasing activities.
6. Instructions/Procedures. Business practices are attached.

Attachment
Official file - PXG, PX, LR, Gary - PXR

PXR:GDR:gdr:501-0407:9/10/01

bop 9/17
mp 9/18/01

9/18/01
PXG *[Signature]* LR *for Goddard 9/10/01*

SUMMARY FOR USE OF FORMS AND SFO		
	Less Than \$100.000 Net Annual Rent	Greater Than \$100.000 Net Annual Rent
SHOULD USE	GSA Form 3626 GSA Form 3517A or 3517C GSA Form 3518A Supplemental Requirements (if needed)	GSA Form 3516 or 3516A GSA Form 3517 or 35176 (may delete or modify clauses 1-21) GSA Form 3518 (Use all forms above if not provided by other means) SF 2 TI or Standard SFO
MAY USE	SF 2 TI or Standard SFO GSA Form 3516 or 3516A Clauses 1-21 from GSA Form 3517 or 3517B	Customized SFOs
DON'T USE	GSA Form 3517 or 35178 except clauses 1-21 GSA Form 3518	GSA Form 3517A or 3517C GSA Form 3518A

**Business Practices
Use of SFOs and Lease Forms**

1. General. The requirements for use of lease forms and solicitations for offers (SFOs) are designed so that contracting officers may determine the level of detail that is necessary in each acquisition to reasonably assure that 1) the Government receives the correct type, amount, and quality of space and 2) the Government's interests are protected during the term of the lease.
 - a. The official versions of GSA SFOs and forms are available on GSA.gov at <http://www.gsa.gov/TPort/offerings.jsp?OID=113404>.
 - b. The primary versions of GSA Forms 3516, *Solicitation Provisions*, 3517, *General Clauses*, and 3517A, *General Clauses (Simplified Leases)*, incorporate provisions and clauses by reference. The forms state that the full text is available from the contracting officer upon request or may be found on GSA.gov at the above address.
 - c. The contracting officer may determine that solicitations should be issued initially with full text. Full text versions of these forms are numbered respectively 3516A, 3517B, and 3517C.
2. Use of Lease Forms and SFOs. (See also summary table on page 2 of this attachment.)
 - a. Leases Equal To or Less Than \$100,000 Net Annual Rent, i.e., Simplified Leases.
 - (i) Realty Specialists should use Simplified procedures, GSA Forms 3626, 3517A (or 3517C), 3518A, and supplemental requirements (as necessary) for leases which do not exceed this threshold.
 - (ii) Realty Specialists may use Standard Form 2 with an SFO when more detail is needed. Realty Specialists may use GSA Form 3516 if the information on that form is not provided to offerors in another fashion. Realty Specialists may not use GSA Forms 3517, 3517B, and 3518, as they contain clauses and provisions not required for Simplified acquisitions; however, at their discretion, Realty Specialists may use GSA Form 3517 clauses 1-21.
 - b. Leases Greater Than \$100,000 Net Annual Rent.
 - (i) Realty Specialists must use the clauses and provisions on GSA Forms 3516, 3517, and 3518, although use of the forms themselves is at the contracting officer's discretion.
 - (ii) Standard Form 2 is required and either a TI or Standard SFO is recommended, but not required. Customized SFOs may be used. Realty Specialists may not use GSA Forms 3517A and 3518A, because they do not contain all of the provisions and clauses required by law for leases exceeding the Simplified threshold. The contracting officer may, however, determine that it is appropriate to delete or modify any of the GSAR real estate clauses numbered 1 - 21 on the Form 3517.

Comments on SFOs and Forms Guidance			
Region	Person	Round 1	Round 2
1	Jane	Add legal review of clause changes	
2			
3	Julie		OK, but add that Standard SFO is an option and may use clauses 1-21 of the 3517 for Simplified leases
3	Kelli		OK
3	Denise	OK	OK
4	<i>[Signature]</i>		<i>OK</i>
5	<i>[Signature]</i>		<i>OK</i>
6			
7	Laura	Add table	OK
8	Demi		OK, but add that Standard SFO is an option
9			
10	Fred	OK	OK
11			
CO	Mary	OK	
CO	JL		OK