

**PROSPECTUS – BUILDING ACQUISITION  
INTERNAL REVENUE SERVICE  
145 MURALL DRIVE  
MARTINSBURG, WV**

Prospectus Number: PWV-0000-MA11  
Congressional District: 2

**Description**

The General Services Administration (GSA) proposes to acquire, through an existing purchase option, the building located at 145 Murall Drive in Martinsburg, WV. The government has an option to purchase the building at the set price of \$24,767,000 before the lease expires, provided 90 days notice has been given to the lessor.

**Building**

The building was a phased construction, build-to-suit lease with the Internal Revenue Service (IRS) occupying the building since its completion in 1995. The GSA currently leases the entire building, 122,457 rentable square feet, with approximately 50% of this space consisting of a data center and 295 parking spaces, under a 20-year lease agreement that expires in July 2015.

The building is adjacent to and within the secured boundary of the IRS Enterprise Computing Center located at 250 Murall Drive, a government-owned facility.

**Project Budget**

**Building and Site Acquisition .....\$24,767,000**  
**Authorization Requested (Acquisition).....\$24,767,000**

**Justification**

The IRS has a continuing long-term requirement for this location. The operations of this facility are heavily integrated with the adjacent government-owned facility. Under the current lease agreement the government has responsibilities for all repair and alterations as well as operations and maintenance of the facility. IRS has made a significant investment in the building since lease commencement for improvements that are essential to their operation. The terms of the purchase option price were finalized with the completion of the final phase of construction in March 1996. In April 2008 a Fair Market Value (FMV) appraisal was completed for GSA which indicated that the building was in good condition and well maintained with no deferred maintenance and a FMV of \$28,400,000.

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**Tenant Agencies**

Internal Revenue Service

**Alternatives Considered (30-year, present value cost analysis)**

<b>Lease:</b>	<b>\$80,420,000<sup>1</sup></b>
<b>Purchase:</b>	<b>\$39,881,000</b>

The 30-year, present value cost of purchase is \$40,539,000 less than the lease alternative, an equivalent annual cost advantage of \$2,489,000

**Recommendation**

ACQUISITION

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<sup>1</sup> Under the current lease agreement the government has responsibilities for all repair and alterations as well as operations and maintenance of the facility. This requirement offsets the usual benefits that government realizes in a standard lease agreement.

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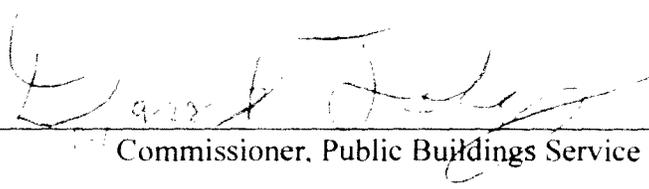
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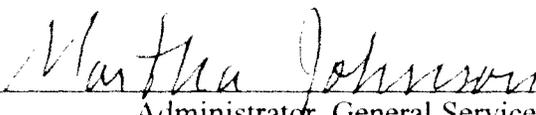
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**Certification of Need**

The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on May 13, 2010

Recommended   
Commissioner, Public Buildings Service

Approved   
Administrator, General Services Administration