

**BY ORDER OF THE
SECRETARY OF THE AIR FORCE**

**DEPARTMENT OF THE AIR FORCE
MANUAL 32-9006**



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Civil Engineering

**ARMY AND AIR FORCE BASIC REAL
ESTATE AGREEMENTS**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This publication implements DAFPD 32-90 for the acquisition, outgrant, disposal of real property, and other property uses. This manual applies to the Regular Air Force, Space Force, Air Force Reserve, and Air National Guard. It applies to Department of the Air Force real property holdings in the United States, its territories and foreign nations. This manual does not apply to base closures handled by the Air Force Civil Engineer Center or Air Force Plants– Defense Industrial Reserve Property. This manual may be supplemented at any level, but all supplements that directly implement this manual must be routed to SAF/IEI for coordination prior to certification and approval. Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*; route AF Forms 847 from the field through Major Command (MAJCOM) publications/forms managers. The authorities to waive wing/unit level requirements in this publication are identified with a Tier (“T-0, T-1, T-2, T-3”) number following the compliance statement. See DAFI 33-360, *Publications and Forms Management*, for a description of the authorities associated with the Tier numbers. Submit requests for waivers through the chain of command to the appropriate Tier waiver approval authority, or alternately, to the requestor’s commander for non-tiered compliance items. Ensure all records generated as a result of processes prescribed in this publication adhere to Air Force Instruction 33-322, *Records Management and Information Governance Program*, and are disposed in accordance with the Air Force Records Disposition Schedule, which is located in the Air Force Records Information Management System.

SUMMARY OF CHANGES

This revision updates and replaces AFJI 32-9006, *Army and Air Force Basic Real Estate Agreements*, 27 February 1995. *Department of the Army Pamphlet 405-1* is superseded by *Engineering Regulation 405-4-1*. This publication is substantially revised from the original instruction and must be completely reviewed. Changes include the addition of the key support documents necessary for acquisition, outgrant, disposal and other uses of property and the re-delegation of authority for the sale of crops/use of timber.

1. Overview of Real Estate. Real estate or real property includes:

- 1.1. Any interest in land, together with the improvements, structures and fixtures such as installed equipment and appurtenances thereto, and leaseholds, under the control of the Department of the Air Force (DAF).
- 1.2. Improvements of any kind, structures and fixtures such as installed equipment, under the control of the DAF when designated for disposition without the underlying land.
- 1.3. Standing timber and embedded gravel, sand, stone, or underground water under the control of the DAF whether designated for disposition by the DAF or by severance and removal from the land. This does not include timber felled, water stored and gravel, sand or stone excavated by or for the Government before disposition.

2. Roles and Responsibilities:

- 2.1. Deputy Assistant Secretary of the Air Force, Installations (SAF/IEI). Responsible for all real property transactional activity, including acquisition, allowing temporary use, and disposal of DAF real property.
- 2.2. Air Force Civil Engineer Center, Installations Directorate (AFCEC/CI). Executes acquisition, temporary use and disposal of DAF real property transactional activities within authorities as re-delegated by Deputy Assistant Secretary of the Air Force, Installations.
- 2.3. Air Force Civil Engineer Center, Installations Directorate, Real Property Management Division (AFCEC/CIT). Provides administrative funds annually to United States Army Corps of Engineers to fund for real estate services.
- 2.4. Headquarters United States Army Corps of Engineers, Director of Real Estate. Through the Divisions and Districts provides real estate acquisitions, appraisals, ingrants, outgrants and disposal services on an as-needed basis to the Department of the Air Force.
- 2.5. Program Management Office (One Door to the Corps). Provides the Corps of Engineers and the DAF oversight and management of the real estate transactions tasked between agencies. Provides the Corps of Engineers and the appropriate Corps of Engineers Division information copies of the directives and disburses the funds from Air Force Civil Engineer Center, Installations Directorate Real Estate Management Division and DAF Installations for real property services.

3. Acquisition and Disposition of Real Estate:

- 3.1. Coordination between the DAF and the Army. The Department of the Air Force may use the services of the Corps of Engineers, Department of the Army, for the preparation of the acquisition and disposition documentation of real estate for DAF execution. (Otherwise, the

DAF must take the necessary actions.) AFCEC and DAF Installations shall issue formal DAF directives for all real estate actions to the Corps of Engineers for tasking and coordination with the Project Management Office for the appropriate geographic Corps of Engineers district. The Program Management Office (One Door to the Corps) will provide the Corps of Engineers Headquarters and the appropriate Corps of Engineers Division information copies of the directive. All levels of the DAF may communicate directly with the appropriate Corps of Engineers office on real property matters. **(T-2).**

3.2. Acquiring Real Estate. AFCEC or appropriate DAF Installation Commander may request the Corps of Engineers to acquire real property to meet new or expanded DAF requirements. **(T-2).** A DAF acquisition request contains:

- 3.2.1. Itemized list of services required to accomplish task (for example, the type of acquisition, appraisal, appraisal review, title search, title preliminary/final title opinion)
- 3.2.2. Scope/Statement of Work to include specific products and services to be provided
- 3.2.3. Support documents necessary to satisfy DAF requirement to complete task (including but not limited to AFCEC acquisition approval memorandum)
- 3.2.4. Directive signed by the Deputy Base Civil Engineer or above
- 3.2.5. The location of the property
- 3.2.6. The funding source
- 3.2.7. The name of the installation requesting the property
- 3.2.8. The name and contact information of the disbursing officer
- 3.2.9. Any special instructions

3.3. Certificate of Necessity For Certain Leased Property. Installations, through AFCEC, shall obtain a Certificate of Necessity from the Deputy Assistant Secretary of the Air Force (Installations), for leased property in cases when:

- 3.3.1. The proposed annual rent exceeds 20 percent of the property's fair market value. **(T-2).**
- 3.3.2. Alterations, improvements, and repairs are expected to exceed 30 percent of the property's fair market value for either of these periods:
 - 3.3.2.1. The first year's rent or **(T-2)**
 - 3.3.2.2. The entire rental period, if less than 1 year **(T-2)**

4. Disposal of Real Estate. When the DAF needs assistance with the disposal of real estate, AFCEC will notify the Corps of Engineers when a parcel of real property is no longer needed. The Corps of Engineers then disposes of the property. The DAF disposal request contains:

- 4.1. Itemized list of services required to accomplish task
- 4.2. Scope/Statement of Work to include specific products and services to be provided
- 4.3. Support documents necessary to satisfy DAF requirement to complete task (including but not limited to source of funding and name of disbursing officer)
- 4.4. Directive signed by the Deputy Base Civil Engineer or above

- 4.5. The location of the property
- 4.6. The name of the installation requesting the disposal of the property
- 4.7. Determination on the applicability and Agency responsible for satisfying Federal Government and Department of Defense screening requirements.
- 4.8. The name and contact information of individual or organization who can grant access to property
- 4.9. Any special instructions

5. Notice of Property Availability (Outgrants). When the Corps of Engineers receives notice from the appropriate DAF level that DAF property is available for use by others, the Corps of Engineers will prepare the necessary outgrant document for DAF execution for the non-DAF use of such property. This is subject to any conditions in the Notice of Availability. **(T-2)**. The DAF outgrant request contains:

- 5.1. Itemized list of services required to accomplish task (for example, Fair Market Value applicability, determination, and appraisal, rental value, competition and advertising requirements)
- 5.2. Scope/Statement of Work to include specific products and services to be provided
- 5.3. Support documents necessary to satisfy DAF requirement to complete task
- 5.4. Directive signed by the Deputy Base Civil Engineer or above
- 5.5. The funding source (i.e. Customer funded)
- 5.6. The location of the property
- 5.7. The name of the installation requesting the property
- 5.8. The name and contact information of individual or organization who can grant access to property
- 5.9. The name and contact information of the disbursing officer, if applicable and the office (with address) to which consideration is to be paid
- 5.10. Any special instructions

6. Corps of Engineers as Custodian of Legal Records. The Corps of Engineers is custodian of legal records concerning DAF real property. The Corps of Engineers shall retain and catalog hard copy records of all DAF real estate agreements and real estate legal records. The Corps of Engineers gives the DAF, upon request, copies of legal records relating to the acquisition, disposition, or temporary use of DAF property.

- 6.1. The installation Real Property Office/Real Property Accountable Officer will furnish the Corps of Engineers a copy of all real estate documents executed by the DAF. **(T-2)**. Only Department of Army Contract Army numbered DAF real estate agreements will be entered in the Army's Real Estate Management Information System database.
- 6.2. The Corps of Engineers retains records of legislative jurisdiction and tract mapping of DAF installations. The Corps of Engineers custodial responsibilities do not include mapping and cadaster services for DAF real estate agreements received for storage and maintenance.

7. Sale of Crops and Use of Timber. The Corps of Engineers is responsible for managing crops grown on DAF installations and arrangement for the use and disposal of timber grown on DAF installations. If requested, the Corps of Engineers can provide forestry and contracting expertise to sell forest products designated for disposal by the DAF as described in delegation of authority from Deputy Assistant Secretary of the Air Force (Installations) to Director of Real Estate, Headquarters United States Army Corps of Engineers. Services will include sales preparation, sales advertisement, evaluation of bids, contract award and contract administration. Proceeds from the sale of DAF forest products will be deposited to the DAF Forestry account. **(T-0).**

ROBERT E. MORIARTY, P.E., SES
Deputy Assistant Secretary of the Air Force
(Installations)

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

AFI 33-322, *Records Management and Information Governance Program*, 23 March 2020

ER 405-4-1, *Army and Air Force Basic Real Estate Agreements*, 11 February 2019

Abbreviations and Acronyms

AF—Air Force

AFI—Air Force Instruction

AFJI—Air Force Joint Instruction

AFCEC—Air Force Civil Engineer Center

AFCEC/CI—Air Force Civil Engineer Center, Installations Directorate

AFCEC/CIT—Air Force Civil Engineer Center, Installations Directorate, Real Property Management Division

BCE—Base Civil Engineer

DAF—Department of the Air Force

DAFI—Department of the Air Force Instruction

DAFMAN—Department of the Air Force Manual

DOI—Department of the Interior

ER—Engineering Regulation

GSA—General Services Administration

MAJCOM—Major Command

OPR—Office of Primary Responsibility

RP—Real Property

SAF/AA—Office of the Administrative Assistant to the Secretary of the Air Force

SAF/IEI—Deputy Assistant Secretary of the Air Force (Installations)

USACE—United States Army Corps of Engineers

Prescribed Forms

None

Adopted Forms

AF Form 847, *Recommendation for Change of Publication*

Terms

Capital Lease—Any lease other than a lease-purchase that does not meet the criteria of an operating lease.

Certificate of Necessity—Written statement, signed by SAF/IEI, certifying that the DAF must exceed the cost limitations established in this Instruction, relative to annual rent or alterations, improvements, and repairs to leased buildings. The Certificate of Necessity will state what new limit is established and the specific work authorized.

Consideration—Compensation (such as money, materials, or services) that is given for something acquired or promised. This may be:

- Appraised fair market value of the RP, or
- Protection of the RP against loss by fire, water, or other causes, or
- Any mutually agreeable arrangement that does not conflict with governing statutory limitations.

Directive—Used to request another Federal agency (such as the USACE, GSA, or DOI) to act on a real estate matter on behalf of the DAF.

Disposal—For purposes of this instruction, any authorized method of permanently relinquishing Air Force control of, responsibility for, or any real property interest in, real property.

Fair market value—The amount in cash, or in terms reasonably equivalent to cash, for which the property would be sold by an owner, willing but not obliged to sell, to a purchaser, who desires, but is not obligated to buy. Typically determined by an appraisal.

Ingrants—Documents (such as licenses, leases, permits, easements, foreign base rights agreements, and treaties) that give the DAF an interest in or control of RP in less-than-fee ownership.

Interest—Right, claim, title or legal share in something.

Lease—Grants exclusive possessory interest in the RP being leased for a specific period of time in return for payment of rent or other consideration to the owner. See definitions for capital lease and operating lease.

Lease-Purchase—A lease in which ownership of the asset is transferred to the DAF at or shortly after the end of the lease term. Such a lease may or may not contain a bargain-price purchase option.

Legislative Jurisdiction—Power to pass and enforce United States laws on matters that are ordinarily reserved for the states.

Operating Lease—The Office of Management and Budget (OMB) Circular No. A-11, Preparation, Submission, and Executing the Budget, Appendices A and B, define the criteria for an operating lease. An operating lease is a lease which meets all of the following the criteria: (i) Ownership of the asset remains with the lessor during the term of the lease and is not transferred to the Government at or shortly after the end of the lease term; (ii) The lease does not contain a bargain-price purchase option; (iii) The lease term does not exceed 75% of the estimated economic life of the asset; (iv) The present value of the minimum lease payments over the life of the lease does not exceed 90% of the fair market value of the asset at the beginning of the lease term; (v)

The asset is a general purpose asset rather than being for a special purpose of the Government and is not built to the unique specification of the Government as lessee; and (vi) There is a private sector market for the asset.

Outgrants—Documents such as leases, licenses, easements, and permits that transfer interest in or control of RP from the AF to another Government agency, a non-Federal entity, or a private party.

Real Property—Lands, buildings, structures, utilities systems, improvements, and appurtenances. RP includes equipment attached to and made part of buildings and structures (such as heating systems); it does not include movable equipment (such as plant equipment).

United States—The several States, the District of Columbia, the Commonwealths of Puerto Rico and the Northern Mariana Islands, American Samoa, Guam, Midway and Wake Islands, the U.S. Virgin Islands, any other territory or possession of the United States, and associated navigable waters, contiguous zones, and ocean waters of which the natural resources are under the exclusive management authority of the United States.

Value (Current, Fair, and Estimated)—Current fair market value or rental value.