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MEMORANDUM TO ASSISTANT REGIONAL ADMINISTRATORS, PBS
1P, 2P, 3P, 4P, 5P, 6P, 7P, 8P, 9P, 10P, WP
REGIONAL REALTY SERVICES OFFICERS

THRU: ANTHONY E. COSTA
DEPUTY COMMISSIONER, PBS - PD

FROM:  CHRIS REUTERSHAN
INTERIM ASSISTANT COMMISSIONER FOR
OFFICE OF NATIONAL CUSTOMER SERVICES
MANAGEMENT - PQ

SUBJECT: GSA Form 1364A, entitled, *Proposal to Lease Space*
(For use with TI SFO and/or National Broker Contract)

1. Purpose. This Realty Services Letter (RSL) issues the GSA Form 1364A, *Proposal to Lease Space*. This is a special version of the form for use with the Tenant Improvement (TI) SFO and/or National Broker Contract. Among other things, the new financial and building information collected on the form will 1) facilitate the separation of shell and TI costs required for pricing purposes, 2) provide broker commission information for use in lease proposal evaluation and 3) simplify occupancy agreement development.
2. Background.
 - a. Pricing. The Office of Real Property Asset Management requires a separate treatment of tenant improvement costs as a component of the rent. The standard GSA Form 1364, *Proposal to Lease Space*, did not provide blocks to capture the offeror's tenant improvement dollars and cost to amortize.
 - b. Price Evaluation. The Government will not make any direct payment or reimbursement to a contractor for contract services under the terms and conditions of the National Broker Contract (NBC). In accordance with real estate industry practice, the NBC service contractor will collect his/her commission directly from the successful offeror at award and/or prior to occupancy by the Government. Since the NBC contractor must forego a percentage of their commission as part of their contractual commitment to the Government, price proposals from offerors need to capture the commission credits to incorporate into the Government's price evaluation. The standard GSA Form 1364 did not provide blocks to capture the offeror's commission incentives.

- c. Occupancy Agreements. The Occupancy Agreement (OA) is an agreement on the terms and conditions of the assignment between GSA and the customer agency. The GSA pricing policy uses ANSI/BOMA Office Area to define pricing for tenant improvement allowances and security charges; however, the financial summary of the OA is prepared in rentable square feet. While the GSA Form 1364 provides for the rentable square footage and the core factor, it does not request the ANSI/BOMA Office area and summarize the financial data to be properly compared to the financial summary of an occupancy agreement. The new Form 1364A requires that information.
3. Effective Date/Expiration Date. These instructions are effective immediately to obtain offers from prospective offerors. This RSL will expire one year from the date of issuance unless otherwise extended.
4. Cancellation. None.
5. Applicability. All real property leasing activities.
6. Instructions/Procedures. GSA Form 1364A and guidance for completion of the form are attached.
 - a. Real property leasing activities must use 1364A when GSA uses an NBC broker as its official tenant representative through the NBC and/or
 - b. Real property leasing activities must use 1364A when GSA issues the TI SFO.
 - c. Regional versions and deviations in the use of GSA Form 1364 and 1364A are not authorized.

Attachments