



June 13, 2008

RSL-2008-01

MEMORANDUM FOR ASSISTANT REGIONAL ADMINISTRATORS, PBS
REGIONAL REALTY SERVICES OFFICERS

FROM: SAMUEL J. MORRIS, III (Signed)
ASSISTANT COMMISSIONER
OFFICE OF REAL ESTATE ACQUISITION - PR

SUBJECT: Fire and Casualty Damage Clause Modification

1. Purpose. This Realty Services Letter (RSL) revises the Fire and Casualty Damage clause, GSAM clause 552.270-7 in the General Clauses.
2. Background. The wide impact on property due to Hurricane Katrina revealed a weakness in the current Fire and Casualty Damage clause dated September 1999. To protect the Government's right to terminate a lease impacted by highly destructive natural or human acts, the clause is being revised to allow the Government sufficient time to assess damages before providing a lessor written notice of the Government's intent to terminate or partially terminate the lease.
3. Effective Date/Expiration Date. This RSL is effective immediately and will expire 12 months from the date of issuance unless modified, cancelled, or reissued earlier.
4. Cancellation. None.
5. Applicability. This RSL applies to all real property leasing activities.
6. Instructions/Procedures.
 - a. The Contracting Officer must substitute the attached revised Fire and Casualty Damage clause pending the GSAM rewrite, and until all versions of GSA form 3517 General Clauses have been updated to include the revised clause. All new solicitations for offers must include the new clause, and all issued solicitations for offers for which best and final offers have not been requested must be amended to include the new clause.
 - b. New versions (rev 06/08 of GSA Forms 3517, 3517A, 3517B, and 3517C, will be posted on the PBS InSite website at http://pbsportal.pbs.gsa.gov:7777/portal/page?_pageid=80,110536&_dad=portal&_schema=PORTAL. Regions will be advised when the new versions have been incorporated into eLease.

Attachment: June 2008 revision of 552.270-7 Fire and Casualty Damage clause.

552.270-7 FIRE AND CASUALTY DAMAGE (JUN 2008)

If the entire premises are destroyed by fire or other casualty, this lease will immediately terminate. In case of partial destruction or damage, so as to render the premises untenable, as determined by the Government, the Government may terminate the lease by giving written notice to the Lessor within 15 calendar days after such determination. If so terminated, no rent will accrue to the Lessor after such partial destruction or damage; and if not so terminated, the rent will be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage. Nothing in this lease shall be construed as relieving Lessor from liability for damage to or destruction of property of the United States of America caused by the willful or negligent act or omission of Lessor.