

# 15 FAM 520 DISPOSAL METHODS AND PROCEEDS DISTRIBUTION

*(CT:OBO-6; 04-11-2006)*  
*(Office of Origin: OBO)*

## 15 FAM 521 METHODS OF DISPOSAL

### 15 FAM 521.1 Long-Term Leased Property

*(CT:OBO-6; 04-11-2006)*  
*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*Lease* termination is the preferred disposal method for long-term leased (LTL) property, but disposal may also be *through sale of the lease interest*, assignment, sub-lease, or license. Post must contact the Acquisitions and Disposals Division in the Real Estate Office of the Bureau of Overseas Buildings Operations (*OBO/RE/AQD*) or the Overseas Management *Staff* in the Bureau for Management, USAID/Washington (USAID/W - M/OMS), for guidance *and approval*.

### 15 FAM 521.2 Property Sales

*(CT:OBO-6; 04-11-2006)*  
*(Uniform State/USAID/Commerce/Agriculture/DIA)*

After the Real Estate Office of the Bureau of Overseas Buildings Operations (*OBO/RE*) or the Overseas Management *Staff* in the Bureau for Management, USAID/Washington (USAID/W - M/OMS), authorizes a sale, post must follow specific procedures as listed in 15 FAM *531*.

### 15 FAM 521.3 Property Exchanges

*(CT:OBO-6; 04-11-2006)*  
*(Uniform State/USAID/Commerce/Agriculture/DIA)*

Under certain circumstances, a *property exchange* may be appropriate. Negotiations can be complicated and time-consuming. *When considering an exchange*, post must contact the Bureau of Overseas Buildings Operations (OBO) or the Overseas Management *Staff* in the Bureau for Management, USAID/Washington (USAID/W - M/OMS). *See* 15 FAM *533*.

## 15 FAM 521.4 Lease and License Agreements

*(CT:OBO-6; 04-11-2006)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

If a real estate market is depressed, a property may be useful in the future, or permanent disposal is contraindicated, a lease or a license may be the best *temporary use* of a property. A license is preferred, because it creates no enforceable rights for the licensee and does not diminish the U.S. Government's title rights. Lease and license agreements require careful investigation and prior approval of the Real Estate Office of the Bureau of Overseas Buildings Operations (*OBO/RE*) or the Overseas Management *Staff* in the Bureau for Management, USAID/Washington (USAID/W - M/OMS). *See* 15 FAM *534*.

## 15 FAM 521.5 USAID Trust-Fund Properties

*(CT:OBO-6; 04-11-2006)*

*(USAID only)*

Trust-fund property is property purchased with *host-government* funds for the support and use of a USAID mission. Missions must maintain separate records for these properties. *When disposing of* trust-fund *properties, missions* must *do so* in accordance with the terms and conditions in the trust fund, bilateral agreement, or other document of understanding, *and with the prior approval of the Overseas Management Staff in the Bureau for Management, USAID/Washington (USAID/W - M/OMS)*. *They must* revert to the host government or be sold and the sale proceeds returned to the trust-fund account.

## 15 FAM 522 DISTRIBUTION OF PROCEEDS AND INCOME

### 15 FAM 522.1 Proceeds from Sale or Exchange

*(CT:OBO-6; 04-11-2006)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

*Post must deposit* proceeds from sales or exchanges in the Foreign Service Buildings Fund (State) or Property Management Fund (USAID), except for USAID trust-fund properties (see 15 FAM *521.5*), for use anywhere, based on worldwide priorities:

- (1) **Department of State:** *Posts must deposit* the gross amount with the U.S. disbursing officer into account *19X0535.4* AA AE (see 15 FAM *531*, Procedures for Property Sales, *and 4 FAH-1 H-620*). *A*

*able is sent to post at the time of the sale with detailed instructions on how to account for sale proceeds;*

- (2) **USAID:** *Posts must deposit* the gross amount in the Property Management Fund, account 72X4175.

## **15 FAM 522.2 Income from Properties under Lease or License**

*(CT:OBO-6; 04-11-2006)*

*(Uniform State/USAID/Commerce/Agriculture/DIA)*

- a. **Department of State:** *Posts must deposit* payments *received* to appropriation *19X0535.3* and *report them* in the U.S. disbursing *officer's monthly accounts*.
- b. **USAID:** *Posts must deposit* payments to the General Receipts of the U.S. Treasury.

## **15 FAM 523 THROUGH 529 UNASSIGNED**