

Real Property Exemption Notice

Real Estate Services Division



Exempted Agency:

Insert Department Name

Effective Date: January 2, 2026

Expiration Date: Until Revoked

Exemption from Department of General Services Review and Approval:

Whenever statute would otherwise require approval by the Department of General Services (DGS), for a Real Estate Acquisition or Conveyance (as defined) that a) is valued up to \$750,000, b) is for real property under the jurisdiction of the Exempted Agency, and c) the Exempted Agency, but for DGS approval, has existing authority to enter into, General Services hereby finds that the named department has the necessary real estate expertise and experience to complete such transactions competently and professionally while protecting the best interests of the state.

Exemptions Definitions:

- A **“Real Estate Acquisition”** is the obtaining of fee ownership, or the obtaining of any lesser estate or interest (such as leases, easements, licenses or permits), in real property (including any existing improvements located on the real property).
- A **“Real Estate Conveyance”** is the grant, sale, or transfer of real property, or the conveyance of any lesser estate or interest in real property (whether improved or unimproved). This may include the grant or conveyance of leases, easements, licenses, or permits over state-owned real property.
- For the purposes of determining the **“Value”** of a given transaction, the Fair Market Value (FMV) of the property to be acquired or conveyed shall be used. In any transaction in which payments are made or received over time, the Value shall be calculated by the total amount paid over the term of the agreement, including any anticipated extensions. When the transaction is an exchange of real property, the Value shall be the FMV of the state-owned property being conveyed.

Responsibility of the Exempted Agency:

This exemption is authorized pursuant to Government Code 14667.1 and is subject to the conditions and exclusions noted herein. By exercising their authority under this exemption, the Exempted Agency assumes full responsibility and liability for legal, policy, and all other aspects of each transaction under this exemption.

Approval:

Name, Chief – Asset Management Branch
Real Estate Services Division

Conditions and Exclusions of Exemption:

1. **Does Not Create New Authority:** This exemption is limited to the review and approval by Department of General Services of a Real Property Acquisition or Conveyance. As such, it does not:
 - a. Convey any authority to enter into a transaction for which the Exempted Agency is not otherwise already authorized to execute, but for Department of General Services' approval.
 - b. Convey authorization to utilize funding not otherwise allowable by statute or regulation.
 - c. Waive any other applicable approvals by other state or federal agencies, any required disclosures, reports, or conditions in statute or regulations, nor any other applicable laws that may apply to a given transaction (such as the California Environmental Quality Act).
2. **General Limitations:** No Exempted Agency may utilize this exemption to conduct a transaction on behalf of another department, nor shall this exemption be used for transactions that amount to transfers of jurisdiction of real property between state departments. However, this exemption does apply to situations in which the Exempted Agency is leasing or licensing property to or from another state department.
3. **Jurisdiction Over Real Property:** For Real Estate Conveyances, this exemption is limited to property in which the Exempted Agency is listed in Department of General Services' Statewide Property Inventory as the agency having jurisdiction (control) over the property.
4. **No Unfunded Liability:** The Exempted Agency shall not create an unfunded liability for the state when utilizing this exemption. To the extent that a transaction involves ongoing costs (such as a lease, obligations for ongoing maintenance, repair obligations for the real property or improvements acquired, etc.), the Exempted Agency shall either have existing funding or an approved Budget Change Proposal before entering into the transaction.
5. **Proper Consideration:** In any Real Property Acquisition or Conveyance, the Exempted Agency shall ensure that the State receives FMV.
6. **Copies of Agreements:** The Exempted Agency shall, in compliance with Government Code Section 11011.15, provide in a timely manner to DGS, Real Estate Services Division, Statewide Property Inventory fully executed originals (if conveyance is to the State) or complete and legible photocopies (if conveyance is from the State) of documents conveying real property or property rights (deeds, contracts, etc., excepting licenses, leases or permits), together with pertinent or supportive or explanatory data, including title policies when appropriate.
7. **Revocation of Exemption for Misuse:** If at any point in time Department of General Services determines that this exemption has been misused, the Department reserves the right to revoke the exemption in whole or in part.