

**THE PRESIDIO TRUST**  
**REAL ESTATE POLICY**

1. **Purpose.** This Real Estate Policy establishes policy for the Presidio Trust (“Trust”) for its lease agreements for Presidio Trust facilities. This policy shall be effective immediately upon approval by the Board and shall supersede all prior Board real estate policies.
2. **Legal Authority.** This Policy is developed pursuant to the [Presidio Trust Act, 16 U.S.C. §460bb appendix](#) (“Trust Act” or “Act”). Section 104(b) of the Act provides that, among other things, the Trust shall establish procedures for its real estate transactions, including a requirement that in entering into such agreements the Trust shall obtain reasonable competition.
3. **Applicability.** This Policy applies to all leases by the Trust with the exception of cooperative and interagency agreements, and the use of Trust facilities by the Trust.
4. **Authority.** Subject to the provisions of this Policy, the Chief Executive Officer has broad authority to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to carry out the real estate functions of the Trust on such terms and conditions as the Chief Executive Officer considers appropriate. The Chief Executive Officer may delegate her/his powers further in accordance with a written procedure approved by the Chief Executive Officer.
5. **Key Principles.** The Trust’s procedures for real estate transactions shall follow these principles.
  - 5.1. Effectiveness – the timely and cost-effective use of the Trust’s real estate assets.
  - 5.2. Flexibility – the ability to make good decisions based on best practices for particular circumstances rather than rigid adherence to standard procedures so that the Trust can select tenants on the basis of the best overall value to the Trust.
  - 5.3. Efficiency – simple processes that achieve desired results without undue process or waste of resources.
  - 5.4. Reasonable competition – Reasonable competition is the preferred method for selecting tenants. As a general rule, the amount of outreach and competition should increase as the value of the real estate transaction increases. In limited circumstances, the Trust may waive reasonable competition upon a written finding that there is limited market demand or limited potential for revenue with respect to the real estate transaction or that the additional value to be obtained by going through a competitive process is significantly less than the costs of going through a competitive process. All such waivers shall be reported to the Real Estate Committee at the next regularly scheduled meeting.

- 5.5. Appropriate mix of tenants – The Presidio benefits from having a mix of tenants that support the strategic goals of the Trust. The Trust shall determine the appropriate type of tenants for facilities based on the characteristics of the facility, consistency with the Trust Act and the Presidio Trust Management Plan or successor plan, and contribution to the economic, environmental or social health of the Presidio.
6. **Limits on Approval Authority.** The Chief Executive Officer may approve all real estate transactions for less than 50,000 rentable square feet and less than a 15 year term (including options to extend that may be exercised solely by the other party). Real estate transactions for more rentable square feet or for a longer term must be approved by the Board of Directors. Board members may not participate in the approval of, and are prohibited from attempting to influence the selection of, parties to real estate transactions that do not require Board approval. All real estate transactions of any size shall be reported to the Board of Directors at the next regularly scheduled meeting.
7. **Unauthorized Real Estate Transaction Commitments.** Only those persons to whom authority has been specifically delegated in writing by the Chief Executive Officer are authorized to commit the Trust to a real estate transaction.
8. **Implementation.** Management shall develop standard operating procedures to implement this policy.