

FACILITY CLASS 900 - REAL ESTATE

This Facility Class applies to real estate in which the Navy has, or intends to obtain, a vested interest. The interest may be acquired by purchase, condemnation, donation, or exchange, and may be held in fee simple, leasehold, or easement. Real estate planned for the Navy is defined under the category codes for classifying real property as found in NAVFAC P-72. Classification is done according to the methods of acquisition and the type of real estate acquired as follows:

- Code 910 Land - Government-Owned
- Code 920 Other Rights
- Code 930 Site Improvements

Policy. As a general policy, all permanent Naval installations within the United States, and its possessions shall be established on land owned in fee by the Federal Government under the custody and accountability of the Department of the Navy. This policy is based on the need for the unconditional use of the land for the unrestricted execution of the assigned military mission. Additional real estate will not be acquired for the Department of the Navy by any method unless a determination has been made that consistent with the requirements of the military mission, such needs cannot be fulfilled by maximum utilization of the real estate under the control of the three military departments. Current requirements will, in the absence of unusual circumstances, be given preference over anticipated future needs and mobilization requirements. Care must be taken however, to prevent modifications that would interfere with mobilization plans for the property. The following are broad policies of the Department of the Navy in connection with the real estate transactions:

1. To acquire only the real property necessary to meet present and immediately foreseeable requirements;
2. To acquire title or other interest to real property by negotiation and direct purchase wherever possible;
3. To base estimate of value upon appraisals made by private local appraisers or by staff appraisers;
4. To take prompt action to dispose of real property excess to current and foreseeable needs of the Navy;
5. To authorize for private use, after advertising, real property which is temporarily excess to the needs of the Navy and is not required for use by other Federal agencies;

6. To require the payment of fair value for easements granted and for property which is made available for private use under out-leases, licenses or otherwise; and

7. To construct buildings or improvements of permanent type only on lands in which the rights of the Government are fee title or permanent easements.

Determination of Requirements. Prior to acquisition of additional land, it shall be determined that the requirements cannot be met by:

1. Exercise of recapture-of-use rights;
2. Use of property excess to the needs of other military departments or another government agency;
3. Exercise of joint use with other agencies;
4. Acquisition of land from public domain; or
5. Transfer from state or municipal governments.

Acquisition Code versus Retention Code. Real estate is acquired under the 900 Code but is transferred, usually at the end of the fiscal year, to the code under which it is used. Coding in the 900 series denotes the type of interest acquired in the property and the means of acquisition.

Reasons for Acquisition. Land is acquired to supply operational and building areas and to provide security and safety clearances. Requirements for real estate are generated by the assignment of missions for which facilities are not available. When a mission has been assigned to a specific activity, the Commanding Officer reviews available facilities and such deficiencies as exist from the basis of a requirement for the expansion of the installation or the development of a new one. These requirements are submitted for CNO approval through the Military Construction Review Board procedures. See NAVFAC P-73, Real Estate Administration, for the detailed procedures.

Authority to Acquire Real Property. The authority to acquire real property and execute real estate functions is vested in the Naval Facilities Engineering Command. Authority to acquire real property must be supported by legislative authorization with an appropriation of funds available for that purpose.

Delegation of Authority. Authority is delegated to the field offices from time to time for certain functions in relation to real property. This delegation is made to the Commanders/CC's, Naval Facilities Engineering Command Field Divisions.

Legislative Authorization (MCON Acts). Navy Department land acquisitions usually are provided for in Acts of Congress authorizing construction projects at Naval installations. These Acts are commonly known as Military Construction Acts (MCON Acts). They are sometimes referred to as Public Works Authorization Acts.

Acquisition Cost. Acquisition exceeding \$50,000 is included with the MCON Acts as a line item for action of the Congress. Acquisition not exceeding \$25,000 is vested in the Secretary of the Navy. This authority is for land or

real property interest determined necessary for national defense. The authority for expenditure up to \$25,000 may not be used to acquire two or more contiguous parcels that together cost more than \$50,000. The detailed method of acquisition is found in NAVFAC P-73, Real Estate Procedural Manual.

910 LAND - GOVERNMENT OWNED

All land interests are included in Category Group 910 with the exception of easement rights, in-lease rights, and foreign rights which are in Category Group 920.

911 LAND - PERMANENT USE LAND

This basic category includes lands acquired in fee purchase, condemnation, donation, exchange or transfer, which is owned in fee by the Federal Government, and under custody and accountability of the Department of the Navy.

911 10 LAND - PURCHASE

Land acquired in fee by purchase is a negotiated sale of the property from private owners to the Federal Government by conveyance of deed.

911 20 LAND - DONATION

Land acquired in fee by donation usually consists of a conveyance of fee title by the donor without monetary consideration.

911 30 LAND - TRANSFER

911 40 LAND - CONDEMNATION

Land is acquired by condemnation where land is essential for a project which affects national defense or security, and the consideration for purchase cannot be mutually agreed upon between the owner and the Navy.

911 50 LAND - EXCHANGE

Land acquired by exchange is similar in principle to acquisitions by purchase except that the consideration is by land value rather than cash. Land exchange may be negotiated at the Field Engineering Division level between the Navy and private owners after approval by the interested bureau or office and the Naval Facilities Engineering Command. For value exceeding \$50,000, approval by the Congressional Armed Services Committees is required.

912 LAND - PUBLIC DOMAIN WITHDRAWAL

The Navy Department may acquire land by withdrawal from public domain under jurisdiction of the Department of the Interior. Withdrawals of less than 5,000 acres are made by Public Land Order. Withdrawal of more than 5,000 acres for any one project must be approved by Act of Congress. In addition to securing authorization from the Armed Services Committees of Congress, a bill must be introduced in the Committees on Public Land and Insular Affairs for acquisition of public domain lands in excess of 5,000 acres. Land withdrawn from public domain is coded as follows:

912 10 LAND - PUBLIC DOMAIN - PERMANENT

912.15 LAND - SET ASIDE - HAWAII

912 20 LAND - PUBLIC DOMAIN - TEMPORARY

913 LAND - LICENSE OR PERMIT

This category does not include land acquired by a withdrawal from public domain.

913 10 LAND - TEMPORARY USE, LICENSE, PERMIT, OR AGREEMENT

This land is acquired for temporary use under license or permit. The license or permit is a privilege, revocable at will, to use the property of the licensor, for a specified purpose and period of time.

913 20 LAND - PUBLIC DOMAIN - TEMPORARY PERMIT

Land from Public Domain used under temporary permit is obtained under agreement between the Navy Department, and the Department of the Interior. The temporary permit implies no use detrimental to the land such as contamination.

914 PUBLIC LAND - TERRITORIES AND POSSESSIONS

Land from U.S. possessions is acquired for temporary or long-term use by Executive Order or permit agreement for a limited specific use.

914 10 LAND - PUBLIC-TEMPORARY OR LONG-TERM

This code is used for public land of U.S. possessions acquired and used under long-term agreements or temporary agreements.

914 20 LAND - PUBLIC-TEMPORARY PERMIT

This code is used to designate public land of U.S. possessions assigned to the Navy on temporary permit.

920 LAND OTHER RIGHTS

This category group includes easements, leases, and foreign rights.

921 LAND - EASEMENT

An easement is a conveyance of interest in real property for particular purposes and needs of the Navy. An easement is acquired by deed for a term of years or in perpetuity. The grantor of an easement may continue to use the land within the stipulations of the easement.

921 10 LAND - AVIGATION EASEMENT - BY PURCHASE

An avigation easement is purchased to convey certain property rights from the private owner to the Federal Government. This is done by conveyance of deed. Easements are acquired to insure free and unobstructed aircraft passage through the airspace. The easement provides the right to limit structure height and natural growth.

921 20 LAND - AVIATION EASEMENT - BY CONDEMNATION

This code varies from 921 10 only in the method of acquisition. Possession is obtained by condemnation only when the purchase price cannot be mutually agreed upon between the owner and the Navy.

921 30 LAND - OTHER EASEMENT - BY PURCHASE

Easements other than for avigation are acquired by negotiated sale. These easements provide rights-of-way for typical utility lines and access roads as well as many other purposes, including restrictions on use.

921 40 LAND - OTHER EASEMENT - BY CONDEMNATION

This is similar to 921 30 but differs in that agreement on a negotiated easement cannot be reached, and the easement is obtained by condemnation for reason of national defense or security.

921 50 LAND - OTHER EASEMENT - BY EXCHANGE

922 LAND - IN-LEASED

An in-lease is a conveyance of a possessory interest in real property for a term of years for rent or other consideration. Leased property is categorized under three groups as follows.

922 10 LAND - IN-LEASE - PRIVATE ENTERPRISE

This land is leased from private owners for periods under 25 years.

922 20 LAND - IN-LEASE - STATE AND LOCAL GOVERNMENTS

This land is leased from State and local governments for periods under 25 years.

922 30 LAND - IN-LEASE - LONG-TERM

Land in-lease for 25 years or more is categorized as "long-term". The land may be leased from private enterprise, or State or local governments.

923 LAND - FOREIGN RIGHTS

This is land under custody and accountability of the Navy Department comprising a Navy installation in a foreign country except land under easement, Code 921. The method of acquisition or use of real property in a foreign country depends upon, and is accomplished by, diplomatic agreement and subsidiary military agreements or, where applicable, by lease or other agreement. Fee simple title to real property in a foreign country is not acquired. The extent of interest which may be acquired in such property depends upon the agreement. Acquisition or use of real property in an occupied country is accomplished by requisition or other local arrangements. The Navy codes for foreign rights are as follows:

- 923 10 LAND - FOREIGN, 99-YEAR LEASE**
- 923 20 LAND - FOREIGN, BASE RIGHTS**
- 923 30 LAND - FOREIGN RECIPROCAL AID**
- 923 40 LAND - FOREIGN, OCCUPIED AREA**
- 923 50 LAND - FOREIGN, IN-LEASE**
- 923 60 LAND - FOREIGN, MISCELLANEOUS**

931 BUILDINGS

931 10 BUILDING - ACQUISITION (SF)

This code is to be used for budgeting purposes and for reporting buildings on land at the time land is acquired. Such facilities are carried under this code for the balance of the fiscal year when such land or buildings are acquired, then inventoried as appropriate in the 100 through 800 series of codes

932 STRUCTURE/UTILITY SITE IMPROVEMENTS

This code group is for site improvements which are not associated with a specific building or structure within it's own category code such as clearing, grading, landscaping, erosion control, and similar. This group contains the following individual codes:

932 10 OTHER SITE IMPROVEMENTS - STRUCTURE (EA)

932 20 OTHER SITE IMPROVEMENTS - UTILITY (EA)

933 DEMOLITION

This group is for demolition of buildings, structures, or utilities and removal of debris performed primarily to make usable or disposable an otherwise unusable site. Demolition directly related to a construction project is assigned the same code as for the project.

933 10 DEMOLITION (EA)