

**GENERAL INFORMATION REGARDING TERMS AND CONDITIONS IMPOSED
UPON THE CONVEYANCE OF SUPPLUS FEDERAL REAL PROPERTY FOR
EDUCATIONAL PURPOSES**

Although Federal real property may be owned or held by many government agencies, only the United States Department of Education has authority under Federal law to award real property to educational institutions and organizations at substantial public benefit allowance discounts. In essence, the United States Department of Education acts as an agent and advocate for educational organizations in assisting them to acquire surplus Federal real property which is held by other federal agencies.

Approval of an application by the United States Department of Education to acquire property for educational purposes does not constitute the final decision of the Federal government since that authority by law is vested with the Federal agency which holds title to the property. In most cases, the General Services Administration makes final decisions. Under the military base closure acts, final decision-making authority rests with the Department of Defense agency which holds title to the military installation (i.e., Army, Navy or Air Force). Please note, however, that Federal holding agencies do not have authority to award property to educational organizations at public benefit allowance discounts themselves.

Since grants of Federal government real estate are legally accomplished in the form of a sale in return for the contractual commitment of the applicant to deliver educational programs and services upon the property rather than pay for acquisition with monetary consideration, all conveyances are made by deed subject to the following conditions to assure that the promised educational programs are in fact delivered:

1. The property must be utilized solely and continuously for a period of 30 years from the date of the deed for the educational programs set forth and approved in the application and for no other purposes.
2. The grantee may not sell, lease, mortgage, encumber or otherwise dispose of, or grant any right or interest in, the property to other parties without the advance written consent of the United States Department of Education.
3. The grantee must submit biennial utilization reports on its use of the property demonstrating that the terms and conditions of the deed are being fulfilled and that the agreed upon educational programs are being delivered.
4. The grantee must comply at all times with non-discrimination acts which govern its ownership of the property including Title VI of the Civil Rights Act of 1964 (P.L. 88-352), Title IX of the Education Amendments of 1972 (P.L. 92-318, Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), and all requirements imposed by or pursuant to the regulations (34 C.F.R. Parts 12, 100, 104, and 106) issued pursuant to the Acts and now in effect; to the end that no person in the United

States shall, on the ground of race, color, national origin, sex or handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the educational program and plan set forth and approved in the application of the grantee.

5. During the 30 year period of restrictions required under the first condition of the deed, the grantee will at all times be and remain either a public, tax supported institution or organization or a private, non-profit organization held to be tax exempt under Section 501(c)(3) of the Internal Revenue Code.

Upon breach of the aforementioned terms and conditions, the United States Department of Education may revert ownership of the property to the Federal government. Other penalties are also provided in the deed for breach of conditions including the remittance of all revenues or benefits received directly or indirectly from any unauthorized arrangement, use or activity.