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GSA Public Buildings Service

JUN 18 2004

MEMORANDUM FOR ASSISTANT REGIONAL ADMINISTRATORS

FROM: WILLIAM H. MATTHEWS *William H. Matthews*
ASSISTANT COMMISSIONER - PV

SUBJECT: Pricing Policy Modification #11
Return on Investment (ROI) Pricing

The attached pricing policy modification captures new authority granted by OMB that allows PBS to convert an existing property from appraisal based to ROI pricing and price assets acquired using ROI pricing. In addition, the policy modification incorporates protection for customers in the form of a cap on general and administrative charges that PBS can pass through.

The policy modification was drafted in coordination with the Regional Pricing Points of Contacts (POC's) and the Pricing/Billing Panel and approved by the Pricing Board. A copy of this modification is being provided to the Regional Pricing POC's for dissemination within each Region.

To assist in the implementation of ROI pricing, Excel workbooks have been developed and placed on the Office of Real Property Asset Management's website under Tools and Databases. The workbooks cover 1) new construction (BA51) and substantial building rehabilitation (BA55) projects, 2) conversion from appraisal based to ROI pricing, and 3) continuing occupancies.

ROI Occupancy Agreement clauses have been loaded into the OA Tool. You may access them by going to the "Clauses" screen.

If you have questions regarding this modification, please contact the National Pricing Points of Contact, Kevin Rothmier at 816-926-1100 or Steve Peters at 215-446-4670.

Attachments

cc: Assistant Commissioners, Regional PT Directors, Regional Pricing POC's

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov

PBS Pricing Network

Effective Date: June 21, 2004

Purpose: Policy Modification #11 on Return on Investment (ROI) Pricing.

Existing Desk Guide Language:
Desk Guide Section 7.2, pages 7-2 through 7-6, contains the current policy on Return on Investment pricing.

Clarification:
The Return on Investment pricing policy as been modified. Replace Desk Guide Section 7.2 in its entirety with the Attachment.

Attachment

U.S. General Services Administration
1800 F Streets NW, Room 7300
Washington, DC 20405
pricingbillingpanel@gsa.gov

7.2 Return on Investment (ROI) Pricing

Return on Investment (ROI) pricing is a secondary means of pricing space in the PBS-owned inventory. It is used when one of the following conditions described below apply.

ROI pricing may only be used for Federal tenants and works at the full property level, not at the assignment level. However, PBS may excuse individual tenants from ROI pricing if the total rental rate for the tenant, using ROI pricing, is appreciably more than the total rental rate the tenant would pay were PBS to enter into a lease to house the tenant. Rent for tenants excused from ROI pricing may be set based on an appraisal or by discounting the building's ROI rate to bring it in line with the lowest acceptable lease alternative rate. The lowest acceptable lease alternative is quality-leased space that meets the tenant's needs. In some cases, this will mean existing vacant space in the market. In other cases, it may mean lease construction.

PBS cannot switch from ROI pricing back to appraisal-based pricing during a strong market. The decision is analogous to that of a developer proceeding with a build-to-suit project in a weak market for a tenant with a long term-need. By agreeing to meet the developer's minimum return requirements on capital, both parties have the benefit, over the long occupancy term, of a predictable real estate Rent.

CONDITIONS UNDER WHICH ROI PRICING CAN BE APPLIED:

Condition One (new construction - BA 51 or substantial building rehabilitation - BA 55):

This condition occurs only in instances when the following two criteria are met: (i) PBS is expending capital to construct or substantially rehabilitate a building, and (ii) an appraisal-generated rental rate does not provide for a Rent that meets PBS' minimum return objectives. See hurdle rate analysis below.

The decision on whether ROI pricing is appropriate for a new construction or major building rehabilitation project must be made before submission of the construction prospectus. The OMB Discount Rate, used to calculate Shell and Tenant Improvement Amortization Rent in support of the Construction Prospectus, will remain fixed throughout the project and used in the Final Occupancy Agreement.

Condition Two (new construction - BA 51 or substantial building rehabilitation - BA 55):

This condition applies when the follow two criteria are met. (i) PBS is expending capital to construct or substantially rehabilitate a building and (ii) it is infeasible or impractical to appraise the fair annual Rent because there are few or no market comparables upon which to base a market rate. The lack of comparables may be due to remoteness of location or to special features of construction and use that significantly depart from conventional real estate use patterns.

Condition Three (properties converted to ROI pricing):

Condition Three pertains to properties already in the inventory, which do not meet our minimum return objectives as priced by appraisal. The following five criteria must be met in order to convert an asset from appraisal-based to ROI pricing:

- PBS determines that it is in the taxpayer's interest to retain the building due to extensive buildout or specialized construction that would be expensive to replicate in leased space.
- The total rental rate for any tenant, using ROI pricing, cannot be appreciably more than the total rental rate that tenant would pay were PBS to enter into a lease to house the tenant. The lowest acceptable lease alternative is quality-leased space that meets the tenant's needs. In some cases, this will mean existing vacant space in the market. In other cases, it may mean lease construction.
- PBS is committed to make future investments in the asset as needed to substantially cure accrued depreciation, where it is financially feasible.
- Tenant(s) desire to remain in the building is documented by a signed OA that reflects the ROI-derived rate.
- A hurdle analysis indicates the appraisal-based Rent fails to meet PBS's minimum return objectives. See hurdle rate analysis below.

Condition Four (properties acquired by PBS):

Condition Four pertains to properties acquired by PBS that do not meet our minimum return objectives when priced by appraisal. See hurdle rate analysis below.

Hurdle Rate Analysis

- Multiply the first year's appraised Fair Annual Rental (FAR) As Is Rate (including TI) net of appraised operating expenses (use Office of Real Property Asset Management appraisal instructions) by 90% of the building's total rentable area. The appraisal report must be current (no more than one year old). Add the FAR of parking and other zero square footage space at 90% occupancy. The building's current antenna inventory may be used.
- Divide by sum of the following:
    - Fair Market Value of:
        - Land, for new construction projects or
        - Property (land & improvements) prior to rehabilitation, for substantial rehabilitation projects or
        - Property (land & improvements), for properties converted to ROI, properties acquired by PBS and for continuing occupancies
    - Plus total capital investment (total cost to design & construct building shell & TI including management & inspection) under Condition One and Two
    - Plus capitalized shell investments (capitalized vs. expensed items are identified by IRIS Work Category) in process (funding commitment by Region), not included in FMV under Condition Three and Four
    - Minus capital security improvement costs considered under the Building Specific Security Charge (Pricing Desk Guide Section 3.2.6)
- If the quotient is less than the hurdle rate, then the appraised rental rate does not constitute a fair return on investment. If the quotient is greater than the hurdle rate, then ROI pricing may not be used.

The current hurdle rate is 6 percent; the Office of Real Property Asset Management may adjust this rate as necessary.

<u>ROI Rate Calculation</u> (The following section provides instructions on calculating the components of the ROI rate)

1. **Rent on Shell Improvements (new construction / substantial building rehabilitation)**

ROI pricing is used to set the Shell Rate only. The ROI Shell Rate for new construction or substantial rehabilitation projects is comprised of 1) a return on and of (amortization) shell improvements and 2) a return on land. The following formula is used to compute the Shell Rate:

- Compute the total cost to design and construct building shell (including management and inspection). The cost of capital security items such as progressive collapse, blast mitigation and window glazing should be excluded. A benchmark cost estimate for Level 3 Security Buildings, developed by the PBS Office of the Chief Architect, may be used for these extensive security investments in new courthouses. Capital security items are separately billed as building specific amortized capital security (Pricing Desk Guide Section 3.2.6).
- Amortize the result over 25 years at the rate equal to the 25-year OMB discount rate plus 2 percent (monthly basis annualized). Twenty-five years is the default setting for ROI pricing, but it can be overridden with approval of the Regional Portfolio Manager. Amortization periods should not, generally, exceed 30 years -the outer boundary of the "useful life" convention for capitalized improvements. Conversely, they typically should not be less than 20 years.
- To the above computation add the FMV of the land multiplied by the 25-year OMB discount rate plus 2 percent or, for substantial rehabilitation projects, add the FMV of the property (land & improvements) prior to renovation multiplied by the 25-year OMB discount rate plus 2 percent.
- Divide by the building's total rentable square feet.

All hard and soft costs are to be included in the computation of the investment base, including feasibility studies, public hearings, environmental studies and site preparation costs. Site preparation costs may include demolition, relocation and remediation. Post occupancy contract claims awarded from the Judgment Fund, that are directly attributable to the ROI tenant (s), are to be amortized over the remaining OA term for the ROI tenants and added to Shell Rent after agencies have been given adequate time to budget for the additional Rent. An amended OA is required.

The total ROI component of Rent is the sum of Rent on shell improvements plus Rent on land. The total Rent the customer agency will pay includes the ROI component of the Rent, plus the other components of PBS Pricing - tenant improvements, cost of services, security and joint use. The OA term should be equal to the term of the shell amortization.

The Rent attributable to the original shell improvements will remain level for the initial 25 year term. New capitalized (capitalized vs. expensed items are identified by IRIS Work Category) shell replacements or improvements made during the course of the initial OA term will be amortized over 15 years at the then (when the amortization schedule is set for budget purposes) 15-year OMB discount rate plus 2 percent. To stabilize customer Rent, the amortization of these improvements will begin at the end of every fifth year of the OA term. For example, the 15-year amortization schedule for capitalized shell replacements or improvements made in years two and four will begin at the end of year five. A new 15-year amortization schedule will begin at the end of years ten, fifteen and twenty as capitalized shell replacements or improvements are made. Proposed capitalized shell investments known at the time the OA is prepared, that have a high probability of occurring, should be referenced in the OA. Amortization of these improvements may begin after the agency has been given adequate time to budget for the additional Rent.

The amortization term may extend beyond the remaining OA term. For the period of overlap, the new amortized cost will be added to the existing Shell Rent. Amortization schedules for new capitalized shell investments must be tracked outside of STAR due to current system limitations. If the tenant (s) elect to vacate before the capitalized shell replacements or improvements have been fully amortized, the tenant (s) will not be liable for the unamortized principal providing the space is cancelable.

Future capitalized shell replacements or improvements are not subject to the Rent Estimate rebate process. However, an Amended OA must be sent to the agency (ies) in time for them to budget for the Rent increase effective at the end of every fifth year.

The new capitalized shell replacements or improvements and their amortization schedules must be tracked in order to provide customer agencies support for the additional Shell Rent charge. A future shell investment spreadsheet, which will assist in tracking the improvements and amortization schedules, can be found on the Office of Real Property Asset Management's website under Tools & Databases. The spreadsheet is contained in the "ROI New or Rehabilitation" workbook.

2. Rent on Shell Improvements (buildings converted from appraisal-based to ROI pricing and new acquisitions)

When existing properties are converted from appraisal-based to ROI pricing or existing buildings are acquired, the ROI Rate is calculated as a simple return on value (OMB discount rate plus 2%) rather than as an amortization of the value. The default OA term for property converted from appraisal based to ROI pricing or acquisitions of existing buildings is 10-years. PBS should strive to keep the OAs in phase i.e., same start and expiration dates. However, there may be exceptions due to agency program needs. The following formula is used to compute the ROI Rate:

- Determine the FMV of the property (Office of Real Property Asset Management appraisal instructions must be used).
- Multiply this value by the 10-year OMB discount rate plus 2 percent.
- Add amortization of capitalized shell improvements (capitalized vs. expensed items are identified by IRIS Work Category) currently under construction that are not reflected in FMV. These improvements should be amortized over 15-years at the 15-year OMB discount rate plus 2% (monthly basis annualized).

• Divide by the building's total rentable square feet.

This constitutes the new ROI Rate for all existing improvements (shell and TIs). To the ROI Rate will be added the cost of services, joint use, security and new TI amortization. New tenant improvements should be amortized over the OA term at the appropriate OMB discount rate plus 2%.

The property will be reappraised every ten years to determine FMV of the property and the resultant rental payments for the continuing occupancy (ies). However, the ROI Rate may be adjusted at the end of year five to recover capitalized (capitalized vs. expensed items are identified by IRIS Work Category) shell replacements or improvements made during the previous five years. Proposed capitalized shell investments known at the time the OA is prepared, that have a high probability of occurring, should be referenced in the OA. Amortization of these improvements may begin after the agency has been given adequate time to budget for the additional Rent.

The future shell replacements or improvements should be amortized over 15-years at the then (when the amortization schedule is set for budget purposes) 15-year OMB discount rate plus 2 percent. The amortization term will extend beyond the remaining OA term. For the period of overlap, the new amortized cost will be added to the existing ROI Rate. Amortization schedules for new capitalized shell investments must be tracked outside of STAR due to current system limitations. If the tenant (s) elect to vacate before the capitalized shell replacements or improvements have been fully amortized, the tenant (s) will not be liable for the unamortized principal providing the space is cancelable.

Future capitalized shell replacements or improvements are not subject to the Rent Estimate rebate process. However, an Amended OA must be sent to the agency (ies) in time for them to budget for the Rent increase effective at the end of year five.

The shell replacements or improvements and their amortization schedules must be tracked in order to provide customer agencies support for the additional ROI Rent charge. A future shell investment spreadsheet, which will assist in tracking the improvements and amortization schedules, can be found on the Office of Real Property Asset Management's website under Tools & Databases. The spreadsheet is contained in the "ROI Conversion" workbook.

3. Rent After Initial OA Term (Continuing Occupancy)

When the initial OA term expires for ROI-priced property, the hurdle test must be completed to determine if ROI is still the appropriate pricing method. If the property fails the hurdle test, prepare new occupancy agreements with the tenants, and price the continuing occupancy as follows. The default OA term for continuing occupancies is 10-years. PBS should strive to keep the OAs in phase i.e., same start and expiration dates. However, there may be exceptions due to agency program needs.

- Determine the FMV of the property (Office of Real Property Asset Management appraisal instructions must be used)
- Deduct the value (balance on principal outstanding) of all shell investments that are still being amortized.
- Multiply the result by the 10-year OMB discount rate plus 2 percent.
- Add amortization of capitalized shell investments (capitalized vs. expensed items are identified by IRIS Work Category) currently under construction that are not reflected in FMV. These improvements should be amortized over 15-years at the 15-year OMB discount rate plus 2% (monthly basis annualized).
- Add sum of shell amortization schedules still running.
- Divide by the building's total rentable square feet.

If the appraised FMV of the property is less than or equal to the present value of the unamortized shell investments, the ROI Rent will consist of a return on land value plus the sum of the shell amortization schedules still running plus amortization of capitalized shell investments currently under construction that are not reflected in FMV. This constitutes the new ROI Rate for all existing improvements (shell and TIs). To the ROI Rate will be added the cost of services, security, joint use and new TI amortization. New tenant improvements should be amortized over the OA term at the appropriate OMB discount rate plus 2%. Cost of services for the continuing occupancy should be set in the same manner (actual operating expenses including G&A expenses or appraisal based) as the previous OA term.

The property will be reappraised every ten years to determine FMV and the resultant rental payments for the continuing occupancy (ies). However, the ROI Rate may be adjusted at the end of year five to recover capitalized (capitalized vs. expensed items are identified by IRIS Work Category) shell replacements or improvements made during the previous five years. Proposed capitalized shell investments known at the time the OA is prepared, that have a high probability of occurring, should be referenced in the OA. Amortization of these improvements may begin after the agency has been given adequate time to budget for the additional Rent. The future shell replacements or improvements should be amortized over 15-years at the then (when the amortization schedule is set for budget purposes) 15-year OMB discount rate plus 2 percent.

The amortization term will extend beyond the remaining OA term. For the period of overlap, the new amortized cost will be added to the existing ROI Rate. Amortization schedules for new capitalized shell investments must be tracked outside of STAR due to current system limitations. If the tenant (s) elect to vacate before the capitalized shell replacements or improvements have been fully amortized, the tenant (s) will not be liable for the unamortized principal providing the space is cancelable.

Future capitalized shell replacements or improvements are not subject to the Rent Estimate rebate process. However, an Amended OA must be sent to the agency (ies) in time for them to budget for the Rent increase effective at the end of year five.

The shell replacements or improvements and their amortization schedules must be tracked in order to provide customer agencies support for the additional ROI Rent charge. A future shell investment spreadsheet, which will assist in tracking the improvements and amortization schedules, can be found on the Office of Real Property Asset Management's website under Tools & Databases. The spreadsheet is contained in the "ROI Continuing Occupancy" workbook.

<u>Treatment of Vacancy, Outlease and Backfill Space under ROI Pricing</u>

Under ROI Condition Three (conversion from appraisal-based to ROI pricing), a tenant can agree to absorb some or all of the value of the vacant space and the rent differential between assignments priced via ROI and those that are not, if the following three criteria are met.

- The nature of the tenant's occupancy (high security, incompatible potential co-tenants) imposes undue restrictions or limitations on PBS's ability to backfill the vacant space. For identification purposes, this tenant (s) is referred to as the core tenant.
- Core tenant agrees to be charged for vacant space as documented through the OA.
- The total rental rate for the core tenant, using ROI pricing, cannot be more than the total rental rate that tenant would pay were PBS to enter into a lease to house the tenant.

> The value of the vacant space and/or the rent differential must be added to the core tenant's rental rate to make the comparison with the lease alternative (i.e., annual rent on vacant space + annual rent differential + annual rent on assigned space / assigned sq. ft., excluding vacant space). The core tenant's current square footage should be used for the lease alternative comparison. The comparison is not of total rent dollars but rather of total rent rates based on GSA's method of measurement. The lowest acceptable lease alternative rate represents a cap on the rate that can be charged to the core tenant. The lowest acceptable lease alternative is quality-leased space that meets the tenant's needs. In some cases, this will mean existing vacant space in the market. In other cases, it may mean lease construction.

If the three criteria above are met, a composite rental rate may be calculated to include Rent on the vacant space and/or the rent differential, or the vacant space and/or rent differential may be billed through a separate Client Billing Record (CBR). Customer preference should be sought. The allocation of Rent on vacant space does not have to be done by formula across all tenants. Rent on the vacant space should exclude operating expenses not incurred in the vacant space such as janitorial service.

Under ROI Pricing Condition One, Two or Four, PBS may **not** charge tenants for vacant space or for the rent differential between assignments priced by ROI and those that are not.

When outleasing ROI properties, base the rental rate on comparable rates in your market area, not on the ROI rate. Backfill occupancies by federal tenants in ROI properties need not conform to ROI pricing; these occupancies are to be priced in accordance with the guidance given for backfill occupancies in Chapter 4 of the Pricing Desk Guide.

When may PBS Charge Rent on Vacant Space under Appraisal-Based Pricing?

PBS may consider charging the building tenant (s) for vacant space at a market rental rate prior to moving a non-or under-performing property to ROI pricing, only if the following condition is met. OMB approval is not necessary.

> The nature of the tenant's occupancy (high security, incompatible potential co-tenants) imposes undue restrictions or limitations on PBS's ability to backfill the vacant space.

If the condition above is met, a composite rental rate may be calculated to include Rent on the vacant space or the vacant space may be billed through a separate Client Billing Record (CBR). Customer preference should be sought. Market Rent on the vacant space should exclude operating expenses not incurred in the vacant space such as janitorial service and possibly reduced utility usage. The agreement with the tenant (s) involved must be documented in the OA and signed by the customer agency (ies). However, even with customer agency consent, the total Rent for any tenant cannot be more than what that tenant would pay in the lowest cost acceptable lease alternative. The lowest acceptable lease alternative is quality-leased space that meets the tenant's needs. In some cases, this will mean existing vacant space in the market. In other cases, it may mean lease construction.

Amortization of Tenant Build-Out

Tenant improvements up to the allowance limits (general and customization, benchmarks, or as set by the Asset Manager) in new construction or substantial building rehabilitation projects are to be amortized on the basis of actual cost and for standard terms of 10 years, expandable to 20 years or greater with the approval of the Regional Portfolio Manager. However, in no case should the amortization term extend beyond the useful life of the tenant improvement. New tenant improvements in properties converted from appraisal-based to ROI pricing, continuing occupancies and new acquisitions of older buildings are to be amortized over the OA term. The amortization rate is the10-year (or appropriate year) OMB discount rate plus 2 percent.

Services

The cost of services consists of the following components:

- Actual building operating expenses
- Field Office General and Administrative (G&A) expenses
- National and Regional General and Administrative (G&A) expenses. The combined charge for National and Regional G&A may not exceed 10% of the full service (excluding G&A) ROI Rent, or the actual combined cost of National and Regional G&A, whichever is less.

Operating and General & Administrative expenses should be based on a projection of actual cost for the budget year. However, the combined National and Regional G&A expenses that can be passed through to customer agencies is capped at 10% of the full service (excluding G&A) ROI Rent for the building. If, due to an accounting error, National or Regional G&A expenses are negative for a building, there will not be a Rent credit given. Because of the need to reconcile end-of-year costs with PBS's Rent Estimate, there is a running two-year lag between actual operating and G&A expenses and current-year billing. Actual operating expense statements and current plus the two previous fiscal years G&A costs will be referenced when making projections. Operating and G&A expenses will be reevaluated annually to ensure accurate estimates are included in the Rent Estimate. The operating and G&A expenses included in the Rent Estimate will be billed in the appropriate budget year.

Alternative basis for services:

If an appraisal exists, then as an alternative to the direct pass-through of actual operating costs including G&A, PBS may set the operating expense component on the basis of an appraisal. (The appraisal-generated minimum Rent may not have met the PBS hurdle rate test, but the appraisal's operating expenses may still constitute a legitimate-approximation of the market charges for these services.) If appraisal-based operating costs are used, PBS is not to include the G&A number from the cost approach above. Commencing with the fiscal year 2004 Rent Appraisal Instructions, PBS adopted the BOMA operating expense components, which includes consideration for administrative expenses.

Security

Security charges are determined in accordance with Section 3.2.6 of the Pricing Desk Guide.

Joint Use Space

Joint use Rent is apportioned among customer agencies on the basis of space assigned. The actual cost of Joint Use tenant improvements or the General plus Customization Tier 3 allowance may be passed through to customer agencies.

If the actual cost of Joint Use tenant improvements is used, the tenant improvement amortization schedules must be tracked outside of STAR due to current system limitations. Actual Joint Use tenant improvements are typically amortized over ten years, expandable to twenty years or greater with the approval of the Regional Portfolio Manager. However, in no case should the amortization term extend beyond the useful life of the tenant improvements. The amortization rate is the 10-year (or appropriate year) OMB discount rate plus 2 percent.

If the General plus Customization Tier 3 allowance is used, the tenant improvements are amortized over ten years at the 10-year OMB discount rate plus 2 percent. The tenant improvement amortization is reset each year at the beginning of the fiscal year based on the current year General Allowance and amortization rate.

Parking, Antenna Sites

ROI properties have no tenant charges for parking, antenna sites, or other ancillary spaces (i.e., ware yards, boat docks, etc.) since customer agencies have agreed to Rent payments that attain PBS' minimum return for the capital invested. It is inappropriate for PBS to seek additional Rent for ancillary items entailing no additional PBS capital outlays, especially when clients sign a long-term OA pledging a full return of the PBS investment with interest. Parking rent for tenants excused from ROI pricing will be set based on an appraisal.

If surface or structured parking is added during occupancy, the total cost of providing the additional parking will be amortized over 15 years at the then (when the amortization schedule is set for budget purposes) 15-year OMB discount rate plus 2 percent. To stabilize customer Rent, the amortization of these improvements will begin at the end of every fifth year of the OA term. The amortization term may extend beyond the remaining OA term. For the period of overlap, the new amortized cost will be added to the existing Shell Rent. If the tenant (s) elect to vacate before the capitalized parking improvements have been fully amortized, the tenant (s) will not be liable for the unamortized principal providing the space is cancelable.

Future capitalized parking improvements are not subject to the Rent Estimate rebate process. However, an Amended OA must be sent to the agency (ies) as soon as additional Rent costs are known so they have an opportunity to budget for the Rent increase.

There will not be a Rent charge for additional antennas added by building tenants during occupancy providing the tenant's Rent is set based on ROI pricing. The tenant is responsible for all costs associated with installation of the antenna.

Graduated Payments

ROI pricing is based upon a specific minimum return in the first year of occupancy; it is nonetheless acceptable to establish stepped or graduated Rents for building shell and land, rather than using a flat payment over 25 years. Such graduated Rents should be set to achieve the same net present value return to PBS as if the payments were constant and unchanging. The 25-year OMB discount rate should be used.

ROI Pricing Approval Process

OMB must approve Rents based on ROI for all projects. Also, PBS must secure the written consent of the affected agency (ies) before seeking OMB approval. PBS must provide agencies adequate time to budget for the ROI Rent. However, with agency agreement, ROI Rent may commence outside of the conventional budget cycle.

For all ROI projects, Regions must submit the appropriate ROI Workbook and backup data (e.g.. appraisal) along with signed OAs to the Office of Real Property Asset Management, Asset Business Strategies Division. The ROI Workbook should be submitted to the Asset Business Strategies Division for review prior to providing agencies draft OAs for signature. The ROI Workbooks can be found on the Office of Real Property Asset Management's website under "Tools & Databases."