

Procedure: 3.4.3p1

Real Estate Due Diligence Guidelines

Revised:

Last Reviewed:

Adopted: March 10, 2026



I. PURPOSE:

The purpose of this procedure is to establish a standardized workflow and due diligence framework for real estate transactions initiated by TCSG institutions and processed through the Technical College System of Georgia for submission to the State Properties Commission in accordance with TCSG Policy 3.4.3 – Real Property Acquisitions, Dispositions, and Leases.

This procedure defines the required transaction workflow from the College perspective; establishes the Assistant Commissioner, Office of Capital Planning & Facilities, or their duly authorized delegate, as the official administrative liaison to the State Properties Commission (SPC); identifies minimum due diligence documentation required prior to submission; and ensures compliance with applicable state law and SPC policies.

II. RELATED AUTHORITY:

O.C.G.A. § 20-4-11 – Powers of Board

O.C.G.A. § 20-4-14 – TCSG Established; Powers and Duties

O.C.G.A. § 50-16 – State Properties Commission

TCSG Policy 2.1.3 – State Board Responsibilities and Authority

TCSG Policy 3.4.3 – Real Property Acquisitions, Dispositions, and Leases

SPC Policy 7.0 – Acquisition of Real Property

SPC Policy 8.0 – Disposition of State Property

SPC Policy 9.0 – Leasing Requirements

SPC Policy 10.0 – Due Diligence

SPC Policy 11.0 – Land Management

III. APPLICABILITY:

This procedure applies to all TCSG Technical Colleges and governs acquisitions, dispositions, leases, easements, exchanges, gifts, licenses, and demolition of state-owned facilities.

IV. DEFINITIONS:

Due Diligence – The systematic evaluation of legal, environmental, financial, physical, and operational conditions associated with a real estate transaction prior to submission to SPC.

State Properties Commission (SPC) – The constitutional authority responsible for oversight and execution of state real property transactions.

Assistant Commissioner, Office of Capital Planning & Facilities – The official administrative liaison to SPC for all real property transactions.

Acquisition – The purchase, donation, transfer, exchange, or other transaction resulting in the State of Georgia obtaining an interest in real property or associated rights.

Disposition – The sale, transfer, exchange, easement, lease as landlord, or other conveyance of real property or interests therein by the State of Georgia.

Lease (Rental) – An agreement for fixed-term occupancy of real property in which the State Properties Commission serves as legal tenant and the Technical College System of Georgia occupies the premises as sub-tenant for institutional use.

Demolition – The removal, destruction, or decommissioning of state-owned facilities or improvements, whether performed by contract or institutional personnel.

V. PROCEDURE

A. Institutional Workflow

1. **Early Consultation:** Colleges shall consult with the Office of Capital Planning & Facilities at the earliest stage of any contemplated real estate transaction. No College shall independently negotiate binding terms or execute agreements prior to required authorizations, including letters of intent, options, or memoranda of understanding.
2. **Presidential Submission:** The College President or the President's duly authorized designee shall submit a written request to the Assistant Commissioner, Office of Capital Planning & Facilities, or their duly authorized delegate, including description of the proposed transaction, institutional justification, and required due diligence documentation as set forth in Appendix A.
3. **Compliance Review and Preparation:** The Assistant Commissioner, Office of Capital Planning & Facilities, or their duly authorized delegate, shall review submissions for completeness and compliance with applicable SPC policies, identify statutory thresholds, and prepare materials for routing through the Commissioner and State Board. This role does not include independent approval authority over real property transactions.
4. **State Board Authorization:** Pursuant to Policy 2.1.3 and Policy 3.4.3, the State Board shall authorize TCSG staff to prepare appropriate requests to the State Properties Commission seeking its approval of, and assistance with execution of real property transactions. Board action constitutes authorization to submit to SPC.

5. **Submission to SPC:** Following State Board authorization, the Assistant Commissioner, Office of Capital Planning & Facilities, or their duly authorized delegate, shall transmit the authorized request and supporting documentation to SPC for statutory review and execution. Colleges shall not submit documentation directly to SPC.
6. **Record Retention:** The Assistant Commissioner, Office of Capital Planning & Facilities, or their duly authorized delegate, shall retain official transaction records in accordance with TCSG record retention policy.

VI. APPENDICES

The documentation requirements set forth in Appendix A are incorporated by reference and may be administratively updated by the Assistant Commissioner, Office of Capital Planning & Facilities, or their duly authorized delegate, as necessary to maintain alignment with State Properties Commission policies and applicable law.

END OF PROCEDURE

APPENDIX A – DUE DILIGENCE REQUIREMENTS

The documentation requirements set forth in this Appendix apply to real property transactions defined in Section IV of this Procedure. These requirements are intended to ensure compliance with applicable State Properties Commission policies and statutory obligations prior to submission for State Board authorization and transmittal to the State Properties Commission.

The Assistant Commissioner, Office of Capital Planning & Facilities, or their duly authorized delegate, may require additional documentation when necessary to satisfy statutory, regulatory, or State Properties Commission requirements.

Documentation requirements contained in this Appendix may be updated administratively to reflect revisions to State Properties Commission policies, statutory changes, or procedural improvements, without requiring amendment to the body of this Procedure.

Acquisition

1. Letter request from Institution President to Assistant Commissioner, Office of Capital Planning & Facilities to acquire real property.
2. Letter to include acknowledgement that the institution will be responsible for legal and transactional costs incurred during processing.
3. Narrative explanation of proposed acquisition or gift
4. Location map
5. Appraisals of property value or county tax assessment
6. Digital color photos showing the land from all general directions, adjacent lands, and any significant land features, an aerial photo may be provided in lieu of a picture, provided that all important features are clearly visible and labeled. Please clearly label each photo to help orient the viewer (e.g. direction of view, name of land feature or improvement)
7. Pictures of Buildings/Improvements: Show exterior view of all significant buildings and improvements on the property from all general directions. If there are more than five (5) significant buildings or improvements on the property, please provide photos of those buildings or improvements that are most representative of the acquisition.
8. Recordable survey. Survey must have been completed within the prior twelve months. "Survey for" block must indicate that the Survey is for and certified to the State of Georgia, Technical College System of Georgia, _____ Technical College.
9. Metes and bounds (Microsoft Word format preferred) legal description of the property to be acquired.
10. Phase I Environmental Site Assessment (ESA): An ESA report shall be valid if completed within 180 days prior to the date of acquisition of the property.
11. Georgia Environmental Policy Act (GEPA): GEPA desktop review to determine whether this acquisition and future development on site could adversely affect the quality of the environment.
12. 5-year Cost Plan: projected development, construction, operating, and capital renewal costs associated with ownership of the property.
13. Draft purchase option from private sellers or donation resolution from government entities. An executed purchase option should not be submitted until all due diligence is complete and the transaction has been authorized by the State Board for submission to

the State Properties Commission.

14. For improved properties, facilities condition assessment report including all physical improvements. Report must have been completed within prior twelve months.
15. Hazardous material assessment.
16. Copy of Certificate of Occupancy (if reasonably available).
17. "As-Built" construction documents (if reasonably available, for large improved commercial property).

Disposition

1. Location map or BLLIP Building ID number
2. Size in acres or square footage
3. Recordable survey and legal descriptions or floor plan showing the leased area
4. For lease as landlord, reimbursement amounts owed to the College to cover utilities, janitorial, or other operating costs. The rent payment is collected by the State Properties Commission. Term of agreement (start of initial period and end of fiscal year)
5. Current use of property
6. Reason for disposition
7. Opposition to disposition by any individual or group
8. Georgia Environmental Policy Act (GEPA) review, if applicable
9. If the building is a Bond funded project, when is the Bond maturity date.

Lease (Rental)

1. If a specific location has been determined: provide Address, Location map, County Property Identification Number, Square footage subject to proposed agreement and Floor plan showing the leased area
2. Term of agreement (start of initial period and end of fiscal year)
3. Renewable option periods
4. Rent for initial period and option periods if escalation is anticipated
5. Proposed name and use of the facility
6. Space Utilization Questionnaire
7. Organizational chart of occupying business unit

APPENDIX A CONTINUES ON NEXT PAGE

Demolition

Pursuant to O.C.G.A. § 50-16 and applicable Executive Order requirements, demolition of state-owned facilities requires issuance of an Executive Order by the Governor prior to commencement of demolition activities.

1. Building name and BLLIP ID number
2. Description of buildings, including size, number of stories, type of construction
3. Location map
4. Color pictures of building
5. Hazardous material assessment
6. Condition of building
7. Opposition to demolition by any individual or groups
8. Justification for demolition
9. Specific source of funds for demolition
10. Proposed use of property after demolition

END OF APPENDIX A