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The Honorable
The Director of the
Bureau of the Budget
Bureau of the Budget
Washington 25, D. C.

DOCUMENT NO. _____
NO CHANGE IN CLASS.
 DECLASSIFIED
CLASS. CHANGED TO: TS 5 C
NEXT REVIEW DATE: 2011
AUTH: HR 10-2
DATE: 22 MAR 1981 REVIEWER: _____

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Dear Mr. Lawton:

I wish to propose for your consideration and approval the purchase by the Central Intelligence Agency of certain land and

[Redacted]

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The land and improvements which it is proposed to purchase are indicated on Appendix A, plot plan, and described in Appendix B,

[Redacted]

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The land and improvements described in Appendices A and B have been partially occupied by CIA under a lease between the Government [Redacted]. An additional section of this property, improved by a structure known as the [Redacted] was leased by CIA under date of 3 October 1949. The present total cost of leasing this property is [Redacted] per annum, exclusive of all services except such maintenance as is normally required of a lessor under a standard Government lease. The principal building, containing approximately [Redacted] square feet of industrial type space, is at the present time being used for warehousing, packing and crating, and testing of certain types of equipment used in covert operations of this agency. The building is ideally situated for an operation of this type from the standpoint of security and provides facilities which will be adequate for the foreseeable future.

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As a result of a proposal recently received from the owner involving the transfer of the property to a subsidiary corporation, it is known that the owner is desirous of selling. Under date of 11 July 1947, through an authorized real estate agent, the sale of the property was proposed at a price of [Redacted]. In the same offer, the agent proposed the rental of this property at an annual rental of [Redacted]. However, since the property is now under lease at a rental cost of [Redacted] per annum, and the attached appraisal, Appendix B, by the Public Buildings Service, indicates the total

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appraised value at [] it is assumed that the land and improve-
ments can be purchased for not in excess of [] On this basis,
it appears that the purchase of this property by CIA is a good investment,
since the total cost can be amortized over a period of approximately
eleven years. It is expected that this property will, over the years,
increase in value.

If this proposal is concurred in by you, it is intended that
purchase of the property will be by negotiation at a price mutually
satisfactory to the present owners and the Government. Price nego-
tiations will be handled only after new appraisals have been obtained
in order to arrive at the present fair market value of the property.
Upon your approval of this proposal, I will authorize negotiations and
if satisfactory terms can be reached, the property will be procured
with existing funds available for the fiscal year 1950 in accordance
with the authority given to the Director of Central Intelligence in
Section 10(a)(1) of the Central Intelligence Agency Act of 1949.

Your concurrence and comments in connection with this proposal
at an early date will be sincerely appreciated.

Sincerely,

*to Exec 4/19 for
hand processing*

A. W. WILLENKOETTER
REAR ADMIRAL, USN
DIRECTOR OF CENTRAL INTELLIGENCE

Enclosures (2)

AS(SERVICES)

[] (17 Apr 50)

- cc: Signer's Chrono ✓
- Executive
- Chief, Admin. Staff
- Chief, Services Div. (2)
- Admin. Files, OCD

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