



ADDENDUM # 1

RFP # FY 2017-2018-002 COMMERCIAL REAL ESTATE BROKERAGE SERVICES

Please ensure you check the City's website for the latest addendum released for this project. Below find the link to the City's website: www.cohb.org/solicitations.

Firm must provide this form signed by an authorized officer of your firm to acknowledge receipt of ADDENDUM # 1 and provide with your firm's response.

PLEASE NOTE:

Question #1:

I have read through the RFP. We are licensed real estate brokers and auctioneers in Florida, have been so for over 50 years and our office is in Mulberry, just south of Lakeland. Our firm does a lot of work for government agencies on a national basis. We sell commercial real estate by competitive bid through the auction method of marketing and we have been very successful for many years, and many times selling properties for ABOVE third-party appraisal. All that said, will the City seriously consider a proposal that utilizes competitive bidding for the property in question at auction, and if not, why not? If the City will not seriously consider this, then we will not bid. And if the City is dead-set on using traditional brokers, especially those located in the City of Hallandale Beach, then we will not bid. However, if the City is willing to sell the property to the highest bidder (which is the true cash market value of the property) at auction, then we will bid on the contract.

Answer #1:

The City must sell the property in accordance with Hallandale Beach Code of Ordinances, Chapter 20, Sections 20-16 and 20-18, which will be in the manner declared by the city commission, including but not limited to sealed bids, auction and negotiated sale.

https://library.municode.com/FL/hallandale_beach/codes/code_of_ordinances?nodetid=PTIICOOR_CH20PR

Question #2:

One thing you should also understand. We work on a Buyer Premium basis, so that the Buyer, rather than the City, pays our commission. That will save the City THOUSANDS of dollars. Well, one might say that "The Buyers will just lower their bids to accommodate the Buyer Premium." Well, in theory, that might be true, but the fact of the matter is, Buyers view the Buyer's Premium as a cost of doing business just like states and

municipalities levy retail sales taxes – people don't think about it, they just pay it. The winner of an auction is the guy who will pay \$1 more than the next guy. They will do what it takes to get the property, period. The process is competitive, open, transparent and gets the City the highest present cash value for the property, instead of a negotiated sale where the broker may want to do a "dual agency" transaction where they are representing both the City and the Buyer – that is a conflict of interest and not in the City's best interest. We ONLY work for the Seller, never for the Buyer. We treat all buyers fairly and whomever has the high bid with non-refundable earnest money, will close on the property. The question here is, since the Buyer, rather than the Seller, is paying our commission, so the amount the City is paying is \$0, then would we get the full amount of points allocated for compensation?

Answer #2:

The City does not want a buyer-bid premium approach. We expect firm's to bid the percentage as seen on page 10 of Exhibit I. Full points will be awarded to the lowest Commission Percentage Proposal.

Question #3:

What, specifically, does the City mean by "oversee escrow for sale" on page 2? What does the City intend for the real estate broker to do as it relates to escrow?

Answer #3:

Broker shall ensure that all funds for deposit on the purchase are appropriately deposited and held in the proper escrow account.

Question #4:

Does the City have a specified disposition or sale of surplus properties process in code or charter that the real estate broker will be required? If so, can it be provided? Will it allow for the property to be sold within the 6 month contract time period with all required approvals?

Answer #4:

See City of Hallandale Beach Code of Ordinances, Chapter 20, Sections 20-16 and 20-18.
https://library.municode.com/FL/hallandale_beach/codes/code_of_ordinances?nodeld=PTIICOOR_CH20PR

Question #5:

Is the City of Hallandale Beach recognizing other brokers?

Answer #5:

The preference of the City is for a single broker to handle the sale of this property.

Question #6:

Who pays the commission?

Answer #6:

The City.

Question #7:

Who pays closing costs?

Answer #7:

This has yet to be determined.

Question #8:

Are there any environmental or other documents pertaining to the site that the City of Hallandale Beach can provide?

Answer #8:

This information is does not exist.

Question #9:

Is there a recent appraisal of the site?

Answer #9:

Yes, the appraisal is available upon public records request. However, the appraisal should not be relied upon by the broker.

Question #10:

Does it have to be sold through a sealed bid process or will it be a negotiated sale?

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Answer #10:

See answer #1.

Question #11:

Once we find a buyer, does it have to go before the City Commission to vote to sell?

Answer #11:

Yes.

Question #12:

Municode- City of Hallandale Beach- Article III- Sec 20.18 (3) - What are the "standard operating procedures" for the City of Hallandale Beach?

Answer #12:

See Answer #1.

PLEASE NOTE RECEIPT OF ADDENDUM # 1 BY SIGNING BELOW AND INCLUDE WITH YOUR FIRM'S SUBMISSION.

I ACKNOWLEDGE RECEIPT OF ADDENDUM # 1:

Company	
Name	
Title	
Signature	
Date	

Sincerely,



Andrea Lues, Director, Procurement Department