Addendum #1 to Sealed RFP #L052310
Request for Proposals for a Residential Real Estate Broker

This addendum is issued to answer questions received prior to the January 4th deadline.

Questions:

1) **1.0 Statement of Work; 1.1 Summary:** Has the University consulted with any Licensed Realtor, Licensed Real Estate Broker, 3.or Licensed Real Estate Brokerage Firm in the drafting of this RFP and its Scope of Work and if so, which firm(s)?

The RFP was developed by the University's Real Estate RFP Committee which includes three Licensed Real Estate Professionals. All of them are University employees.

2) **3.8 Proposal Submission and Subsequent Action:** On uploading files to the Box Secure Upload, is there a file size limitation and if so, how large?

The file size limitation is 50GB. If there are any issues with uploading your response, please reach out to the Buyer listed in the RFP as early as possible so as not to miss the deadline.

3) **3.8 Proposal Submission and Subsequent Action:** With respect to "…an insufficient number of proposals received," what is the sufficient number of proposals the University must receive before it will evaluate the proposals and award a contract? If the University doesn't, in their opinion, receive a sufficient number of proposals and extends the Due date, that disadvantages and penalizes firms who did submit on time by giving latecomers a "second bite of the apple." Please understand how unfair that would be to firms that did submit on time.

Generally, three proposals are considered a sufficient number. This language is included to give the University the option to extend the due date to ensure we're getting adequate competition. This is not a common practice, but should it occur, those that did submit on time would be able to submit a revised proposal, should they choose to.

4) **3.9.8 Method of Award; Limiting Criteria:** While we are Licensed Realtors, we are not currently members of the Tucson Association of Realtors MLS, however, we are members of the West and Southeast Realtors of the Valley. Upon award of contract, we would join the Tucson Association of Realtors. Is this acceptable?

Yes.

5) **3.9.8 Method of Award; Limiting Criteria:** Our firm is domiciled outside of the State of Arizona. However, our Arizona Designated Broker is domiciled in the State of Arizona. Is this acceptable for this contract? Our firm holds brokerage licenses in 8 states.

Yes.

6) **4.29 Additional Insurance Requirements:** Can the Certificate of Insurance be provided upon bid award?

Yes

7) **5.0 Scope of Work, Specifications, Technical Requirements**: This RFP contemplates only a "traditional" list/sell approach to marketing and selling real estate. Will the University seriously consider an approach that would sell the residential real estate at competitive bidding sales (live, online, simulcast and/or sealed bid) and ***if not, specifically, why not?*** We have sold residential real estate in this manner for over 60 years and in particular, over the past 8 years, we have achieved results significantly in excess of independent 3rd party market value appraisal. This includes residential real estate sold for other universities.

The University has the ability to sell properties by public auction and will not contemplate competitive bidding sales, ie live, online, simulcast and/or sealed bid. This RFP has been developed to identify a residential Real Estate Professional to list residential real estate for sale via the traditional list/sell approach using the Multiple Listing Service.

8) **5.0 Scope of Work, Specifications, Technical Requirements:** With respect to the real estate commission, we normally work on a "Buyer Premium" basis, where the Buyer Premium, as a percentage of the High Bid Price, is added to the High Bid Price to achieve the Total Purchase Price such that the Buyer, rather than the Seller, pays our commission. Is this acceptable and **if not, specifically, why not?**

No. The University's residential property will not be offered for sale by auction. A "Buyer Premium" will not be permitted; the Seller will pay the commission as stated in the RFP.

9) **5.0 Scope of Work, Specifications, Technical Requirements:** If the answer to the previous question is "Yes" will there be any limitations on the Buyer Premium percentage?

N/A

10) **5.0 Scope of Work, Specifications, Technical Requirements:** If we are allowed to utilize the Buyer Premium for compensation, will the University reimburse our firm for our pre-budgeted and pre-approved out-of-pocket marketing and advertising costs? These are the only costs the University would be responsible for and are far less than the University-paid commission amounts listed in this section of the RFP.

N/A

11) **5.0 Scope of Work, Specifications, Technical Requirements:** Will the University sell the residential real estate listed to the highest bidder regardless of price, or must the property be sold at or a percentage of independent 3rd party appraised value?

No.

12) **5.0 Scope of Work, Specifications, Technical Requirements:** If the University is willing to sell by competitive bid sale, will the University be willing to modify its purchase and sale agreement to incorporate specific terms and conditions of these competitive bid sales?

No.

13) **5.0 Scope of Work, Specifications, Technical Requirements:** Does the University have a current list of properties it is intending to sell, and if so, can we be provided that list so that we can evaluate those properties as part of our proposal?

The University has a list of residential properties it is intending to sell. The list will only be disclosed to the Real Estate Professional awarded the RFP.

14) **5.0 Scope of Work, Specifications, Technical Requirements:** Is there currently a residential real estate broker contracted with the University and if so, which firm(s)?

No.

15) **5.2 Method of Payment & Discount for Early Payment:** We normally receive our commissions at Close of Escrow from the Title & Escrow Company. Is this acceptable for this contract? If the University reimbursed us for our marketing and advertising expenses, then those could be paid in the manner shown here.

A commission will be paid to the Designated Broker by the Title & Escrow Company upon close of escrow for each transaction. The University will not reimburse the Real Estate Professional for marketing and advertising expenses.

All else remains the same.