

Fee Proposal

Acquisition Services

In the event the City seeks to purchase property (either raw land or existing building(s), CBRE will first pursue payment of those fees from the seller at a market rate, as brokerage fees are typically paid by the selling entity. In the event that land the City wishes to acquire is unlisted, or that a commission for the buyer's agent is not included in the seller's representation agreement with their agent/ broker, CBRE would seek the following compensation from the City on a cumulative basis.

PURCHASE PRICE	COMMISSION PAID TO CBRE
First \$0 - \$2 M	5.0%
Next \$2 M - \$7 M	4.0%
Next \$7 M - \$12M	3.0%
Next \$12M - \$20M	2.5%
Next \$20M and up	2.0%

For example, on a \$12,000,000 purchase, CBRE's compensation would be calculated as follows:
 $\$2,000,000 \times 5.0\% = \$100,000 +$
 $\$5,000,000 \times 4.0\% = \$200,000 +$
 $\$5,000,000 \times 3.0\% = \$150,000$
Total commission due to CBRE = \$450,000

Disposition Services

In the event the City seeks to sell surplus property on a fee simple basis, CBRE's compensation will be as below, by the City to CBRE only. Any outside brokers / buyer representation will be responsible for seeking commissions from their principals, unless the City believes it to be prudent to offer a supplemental outside representation fee at its discretion. Commissions will be charged per transaction on a cumulative basis.

SALE PRICE	COMMISSION PAID TO CBRE
First \$0 - \$2 M	5.0%
Next \$2 M - \$7 M	4.0%
Next \$7 M - \$12M	3.0%
Next \$12M - \$20M	2.5%
Next \$20M and up	2.0%

For example, on a \$12,000,000 sale CBRE's compensation would be calculated as follows:
 $\$2,000,000 \times 5.0\% = \$100,000 +$
 $\$5,000,000 \times 4.0\% = \$200,000 +$
 $\$5,000,000 \times 3.0\% = \$150,000$
Total commission due to CBRE = \$450,000

P3/Development Advisory Services

In the event the City would like CBRE to represent it in a Public-Private Partnership, CBRE’s compensation will take the form of a monthly retainer of \$15,000 throughout the project planning, marketing, negotiation, and execution process which is anticipated to be 9-12 months subject to the City's internal process.

In addition, CBRE will be paid a Success Fee for Development Advisory Services by the selected Developer, calculated on a cumulative basis based on the Total Project Cost on a sliding scale as listed below. Total Project Cost “TPC” is defined as all hard and soft costs of the project including but not limited to; the value of the land plus infrastructure, design, and construction costs as proposed by Developer. This structure is summarized below.

SERVICE	PAID BY	AMOUNT	TIMING
Consulting services for marketing, RFP development and distribution, bid analysis and documentation	City	\$15,000 / Month	Monthly upon notice to proceed
Transaction and development advisory brokerage	Developer	Per sliding scale listed below	30 days of execution of development agreement

SUCCESS FEE	TOTAL PROJECT COST TRANCHE
3.50%	\$0 - \$10 M
3.00%	\$10 M - \$20 M
2.50%	\$20 - \$30 M
2.00%	\$30 M - \$50 M
1.50%	\$50 - \$100 M
0.95%	\$100 M or greater

Following execution of the marketing process and/or evaluation of developer proposals, if the City or its stakeholders for any reason do not move forward with the project and do not execute the transaction documentation that would enable CBRE to be owed a commission by the developer, the City will pay to CBRE a “break-up” fee of \$350,000.

Leasing Services

Lease services and corresponding commissions vary depending on the role of the City in the transaction. We have priced multiple scenarios for your convenience:

CITY AS LANDLORD

In the event of a lease of owned property, CBRE shall be paid a fair market commission by the City from lease proceeds generated as a result of such lease. Fair market commission for representation is equal to six and a half percent (6.5%) if a broker is representing the lessee, with two and a half percent (2.50%) paid to CBRE and four percent (4.0%) paid to the lessee's broker. In the event the lease is completed without a cooperating broker, the commission is reduced to four percent (4.0%) fee to CBRE.

CITY AS A TENANT

In the event CBRE represents the City as a tenant in a lease transaction, CBRE would seek a market commission of approximately 3.0-4.0%, payable by the third party landlord.

LEASING SUMMARY

SERVICE	TOTAL FEE	FEE TO CBRE	FEE TO OUTSIDE BROKER	PAID BY
CBRE representing City as Landlord (with outside broker)	6.5%	2.5%	4.0%	City
CBRE representing City as Landlord (no outside broker)	4.0%	4.0%	0%	City
Representing City as Tenant	--	Market Rate (3.0-4.0%)	--	Landlord

In the event that our Agreement or any particular engagement to provide the Services ends without a signed transaction, within 30 days of that ending, CBRE shall provide the City with a list of all parties with whom CBRE was engaged in active negotiations with respect to leases or other transactions for which fees could be earned under this Agreement. If within one year after such expiration or termination date, the City enters into any agreement of sale, lease, sublease or other written agreement with a party on such list for which a fee would have been earned hereunder, CBRE shall earn the fee provided for under this Agreement to the same extent as if the Services had not expired or terminated. Upon the expiration of the one year period, CBRE may present to the City for its consideration an extension of the fee protection period for any existing transactions which remain active and imminent. The City shall not be obligated to extend such period, but the Parties shall negotiate in good faith a fair compensation arrangement for the work performed by CBRE (or its Subagents) prior to termination. This paragraph shall survive the termination or expiration of our Agreement.