



**Rhode Island Housing**  
working together to bring you home

**Request for Proposals  
Residential Real Estate Brokerage Firms**

**INTRODUCTION**

Through this Request for Proposals (“RFP”), Rhode Island Housing seeks proposals from residential real estate brokerage firms to assist Rhode Island Housing’s REO Department in the disposition of properties obtained through foreclosure, tax sale, or deed-in-lieu-of-foreclosure. Selected firms must have qualified, licensed personnel who can represent Rhode Island Housing in all aspects of single family and multi-family (2-6 unit) real estate sales.

Rhode Island Housing will only accept proposals from **Owners or Principal Agents**. No proposals from sales agents (non-principals) will be accepted.

**INSTRUCTIONS**

Five (5) original(s) and five (5) copies of the proposal must be submitted to Rhode Island Housing, 44 Washington Street, Providence, R.I. 02903-1721, **Attn: Guy V. Pirolli, Real Estate Manager**. Proposals must be concise and include all information requested within the RFP and attachments. Proposals must be presented on business letterhead.

Proposals must be delivered no later than **5:00 p.m. on Friday, January 31, 2014**.

Respondents are advised that all submissions (including those not selected for engagement) may be made available to the public on request upon completion of the process and award of a contract(s). Accordingly, any information included in the proposal that the respondent believes to be proprietary or confidential should be clearly identified as such.

**SCOPE OF WORK**

Please see Scope of Work provided as Attachment A.

**ITEMS TO BE INCLUDED WITH YOUR PROPOSAL**

A. General Firm Information

1. Provide a brief description of your firm, including but not limited to the following:
  - a. Name of the owner and any principal agents(s) of the firm.
  - b. Provide a general overview of your agency’s operations.
  - c. Name, telephone number and email address of a representative of the firm authorized to discuss your proposal.
  - d. Address of all offices of the firm, and or, firm affiliation with others, if any.
  - e. Total number of employees of the firm, including support staff.
  - f. Number of licensed agents in each location.

## B. Experience and Resources

1. Identify the principal, partners, associates and agents of the firm that would be involved in providing services to Rhode Island Housing. Provide appropriate background information and identify responsibilities of each such person. For each name, provide evidence of the requisite licenses and insurance, certification or other validation required by municipal or state agencies.
2. Describe your firm and its capabilities. In particular, support your capacity to perform the Scope of Work.
3. Please provide a current roster of your firm's business and government agency clients, including a lead contact name and telephone number for each organization for which you provide similar services.
4. Provide a breakdown of the approximate number of each property type (single family, multi-family and condominium) that your firm has sold during 2011, 2012 and 2013 respectively.
5. Indicate as a percentage of total sales a breakdown of REO sales versus conventional sales.
6. Indicate for 2011, 2012 and 2013 respectively, the geographic distribution of the sales your firm has completed. Indicate sales for each city and town for the entire state, not only those identified in the Scope of Work.
7. Identify individuals in your firm with multi-lingual skills, who are available to assist with communication in languages other than English. Please identify the language(s).
8. Identify any material litigation, administrative proceedings or investigations in which your firm is currently involved. Identify any material litigation, administrative proceedings or investigations, to which your firm or any of its principals, partners, associates, subcontractors or support staff was a party, that has been settled within the past two (2) years.

## B. Fee Structure

The cost of brokerage services is one of the factors that will be considered in awarding this contract. The information requested in this section is required to support the reasonableness of your fees. Describe your proposed fee structure (including any discounted fees) for duties listed in the Scope of Work and the costs of any reimbursable items and expenses. Please be as specific as possible.

### C. Miscellaneous

1. Rhode Island Housing encourages the participation of persons of color, women, persons with disabilities and members of other federally and State-protected classes. Describe your firm's affirmative action program and activities. Include the number and percentage of members of federally and State-protected classes who are either principals or senior managers in your firm, the number and percentage of members of federally and State-protected classes in your firm who will work on Rhode Island Housing's engagement and, if applicable, a copy of your Minority- or Women-Owned Business Enterprise state certification.
2. Identify any conflicts that may arise as a result of business activities, associates and/or ventures by members and associates of your firm, or as a result of any individual's status as a member of the board of directors of any organization likely to interact with Rhode Island Housing.
3. Discuss any topics not covered in this Request for Proposals that you would like to bring to Rhode Island Housing's attention.

### D. Certifications

1. Rhode Island Housing insists upon full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors. This law requires State Vendors entering into contracts to provide services to an agency such as Rhode Island Housing, for the aggregate sum of \$5,000 or more, to file an affidavit with the State Board of Elections concerning reportable political contributions. The affidavit must state whether the State Vendor (and any related parties as defined in the law) has, within 24 months preceding the date of the contract, contributed an aggregate amount in excess of \$250 within a calendar year to any general officer, any candidate for general office, or any political party.
2. Does any Rhode Island "Major State Decision-maker," as defined below, or the spouse or dependent child of such person, hold (i) a ten percent or greater equity interest, or (ii) a Five Thousand Dollar or greater cash interest in this business?

For purposes of this question, "Major State Decision-maker" means:

- (i) All general officers; and all executive or administrative head or heads of any state executive agency enumerated in § 42-6-1 as well as the executive or administrative head or heads of state quasi-public corporations, whether appointed or serving as an employee. The phrase "executive or administrative head or heads" shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;

(ii) All members of the general assembly and the executive or administrative head or heads of a state legislative agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;

(iii) All members of the state judiciary and all state magistrates and the executive or administrative head or heads of a state judicial agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel, chief of staff or state court administrator.

If your answer is “Yes,” please identify the Major State Decision-maker, specify the nature of their ownership interest, and provide a copy of the annual financial disclosure required to be filed with the Rhode Island Ethics Commission pursuant to R.I.G.L. §§36-14-16, 17 and 18.

3. Please include a letter from your president, chairman or CEO certifying that (i) no member of your firm has made inquiries or contacts with respect to this Request for Proposals other than in an email or written communication to **Guy V. Pirolli, gpirolli@rhodeislandhousing.org** seeking clarification on the Scope of Work set forth in this proposal, from the date of this RFP through the date of your proposal, (ii) no member of your firm will make any such inquiry or contact until after January 31, 2014, (iii) all information in your proposal is true and correct to the best of her/his knowledge, (iv) no member of your firm gave anything of monetary value or promise of future employment to a Rhode Island Housing employee or Commissioner, or a relative of the same, based on any understanding that such person’s action or judgment will be influenced and (v) your firm is in full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors.

### **EVALUATION AND SELECTION**

A selection committee composed of Rhode Island Housing staff (the “Committee”) will evaluate the proposals and recommend a sufficient number of firms to satisfy the projected volume, to the Executive Director for engagement by Rhode Island Housing. The proposals will be evaluated under the following factors:

- Fee schedule
- Professional capacity to undertake assignments
- Staffing (both agents and support staff)
- Professional experience
- Review of client list
- Geographic coverage and location of offices

- Previous demonstrated results in the geographic locations indicated in Scope of Work
- Previous demonstrated results in marketing REO properties
- Previous work experience with Rhode Island Housing
- Recommendations by references
- Other pertinent information submitted
- It is important to ensure that all requested information within the RFP is included in your submission. Omission of any information may cause the submission to be declined

Rhode Island Housing may invite one or more finalists to make presentations. In addition, Rhode Island Housing reserves the right to engage firms and agents for specific geographic areas within the state.

In its sole discretion, Rhode Island Housing may negotiate with one or more firms who have submitted qualifications to submit more detailed proposals on specific projects as they arise.

By this Request for Proposals, Rhode Island Housing has not committed itself to undertake the work set forth. Rhode Island Housing reserves the right to reject any and all proposals, to rebid the original or amended scope of services and to enter into negotiations with one or more respondents. Rhode Island Housing reserves the right to make those decisions after receipt of responses. Rhode Island Housing's decision on these matters is final.

**For additional information contact:** Guy V. Pirolli, [gpirolli@rhodeislandhousing.org](mailto:gpirolli@rhodeislandhousing.org).

## **Attachment A Scope of Work**

Rhode Island Housing originates loans on one- to four-family properties throughout the state. Historically, 40 to 60 properties per year are transacted through the REO Department. At times depending on market conditions, up to 75 properties may be transacted per year. The approximate distribution is estimated to be 80% single family, 10% multi-family and 10% condominium. Many of these properties require light renovation, and many are in need of substantial rehabilitation. Selected firms must have the capability to work not with first time homeowners and investor purchasers.

Properties are located throughout the state; however, there is a higher concentration of properties located in inner city locations within Providence and Kent County, including Providence, Cranston, Central Falls, Pawtucket, Woonsocket, West Warwick and Warwick. Firms selected will be assigned properties on a rotating basis, as needed, and will be required to accept listings in all counties within Rhode Island.

Selected representatives will be asked to provide full brokerage services, including but not limited to the following tasks:

- Provide full service brokerage marketing literature to Rhode Island Housing.
- Advertise properties through all appropriate media including print, mailings, MLS and Internet services such as Craigslist, or other sites deemed appropriate by Rhode Island Housing.
- Place signage on properties.
- Arrange showings of listed properties to perspective purchasers.
- Pre-qualify buyers prior to any offer submission
- Attend closings on behalf of Rhode Island Housing.
- Arrange entry for Rhode Island Housing vendors, appraisers, utility companies, buyers, etc., as directed.
- Prepare marketing updates for Rhode Island Housing REO personnel on a bi-monthly basis.
- Other services identified in Attachments B and/or C

The use of dedicated sales agents or sales agents assigned by rotation, other than the principal, will be allowed at the discretion of the principal agent. However, the owner or principal agent retains full liability of the transaction through closing.

**Attachment B**  
**Letter of Engagement for Real Estate Services**

**EXCLUSIVE LISTING TERMS & CONDITIONS**

This addendum is attached to, incorporated in and made a part of all STATE-WIDE MULTIPLE LISTING SERVICE, INC., SINGLE FAMILY, MULTI-FAMILY and CONDOMINIUM RESIDENTIAL LISTING AUTHORIZATIONS (“the Agreement”) of even date by and between \_\_\_\_\_ as **Broker and Rhode Island Housing (“RIH”), as Owner**. In the event of any conflict between the Agreement and this Addendum, this Addendum shall govern.

**Properties:** To be determined on rotation basis or selected based on geographic area.

**TERM**

This Agreement shall be in effect during the period commencing on the listing date and ending at midnight, EST/ EDT, on the last day of a term to be decided by Owner. Said term is not to exceed one hundred and eighty (180) days unless sooner terminated or extended by mutual agreement.

**BROKER COMMISSION**

**Conditions Precedent.** Owner shall pay Broker a commission (“Commission”) equal to a percentage of the “Net Purchase Price” established by Owner, conditioned upon the following events occurring:

- (a) the execution and delivery by Owner and a purchaser of a Contract acceptable to Owner in form and substance;
- (b) the consummation of the sale of the Property, including the payment of the agreed to Purchase Price, and receipt thereof by Owner; and
- (c) Broker having timely and strictly performed all covenants and obligations and having complied with all conditions required by this Agreement.

**Commission Amount.** The Commission payable by Owner to Broker, in the preceding subparagraph, shall be as follows:

1. Five per cent (5%) of net sales price where the buyer has been obtained through an independent co-broker (or Buyer Broker – different firms) efforts;
2. Four per cent (4%) of net sales price where the RIH Contracted Listing Broker and Buyer’s Agent are from within the RIH contracted Broker’s office (same office) or, within an alternate office owned by the same owner or corporation;

3. Two and one half per cent (2.5%) of net sales price for a “co-broker” sale or brokerage where the Owner maintains the property in-house, or where the owner refers a Buyer to contracted Broker which cumulates in a sale.
4. A minimum commission of One Thousand Five Hundred Dollars (\$1,500) will be paid for those properties sold with a sales price of Thirty Thousand Dollars (\$30,000) or below.

**Co-Broker.** In the event that a co-broker (“Co-Broker”) is utilized in the sale of the Property, it is agreed that Broker shall be solely responsible for any commission or fee to the Co-Broker in connection with said sale. In no event shall Owner be obligated to any party other than Broker for the payment of any commission or fee in connection with the Sale of the Property during the term of this Agreement and Broker hereby indemnifies and holds Owner harmless against all claims of any kind with respect to any alleged brokerage commission or fees due to parties other than Broker in connection with sale of the Property. Owner may withhold all or any portion of any Commission except as identified herein.

**Renewal of Agreement.** This Agreement does not automatically renew. The Agreement may be renewed only by a written agreement signed by both parties hereto.

**Contract with Broker’s Prospect After Termination.** If, within thirty (30) days after the expiration of the term of this Agreement, Owner executes and enters into a Contract with respect to the Property upon terms and conditions approved by Owner, in its sole and absolute discretion, with one of Broker’s Prospects and the Broker’s right to a commission or other compensation in connection with such transaction has not otherwise been excluded from the terms of this Agreement, then if, as and when the Contract is actually closed and consummated in accordance with the terms described above, Owner agrees to pay Broker the commission set forth in the preceding

**Non Payment of Fees:**

It is agreed that Broker shall not be entitled to a commission if all or any part of the Property is sold or transferred to in any of the following scenarios:

1. **Condemnation.**
  - (a) a person or entity (or successor of such person or entity) in connection with the settlement of outstanding indebtedness or other claim in favor of or against Owner;  
or
  - (b) a governmental unit or entity in connection with a condemnation of proceeding or threat of condemnation.
2. **Non-Profit Interest**
  - (a) any sale to a qualified non-profit agency that may purchase the property after the initial listing.



Non for Profit housing agencies have first right of refusal on all RIH REO properties. In some cases, funding for properties that have been initially passed on by an agency may materialize at a later date. Should a property still be in the REO portfolio, even if listed with an agent, RIH reserves the right to withdraw the property from listing. RIH reserves the right to withdraw any property from listing to complete a sale to a qualified Not for Profit Agency. RIH agrees to reimburse Broker for any costs incurred while marketing the property.

### **TERMINATION OF AGREEMENT**

**Termination.** Notwithstanding anything to the contrary herein, this Agreement may be terminated at any time upon the occurrence of any of the following events:

- (a) by either Owner or Broker, with or without cause, by giving the other party thirty (30) days prior written notice of termination; or
- (b) forthwith and without notice, upon the Broker's insolvency, bankruptcy, dissolution, sale or cessation of business.

**List of Significant Contacts.** On or before the expiration of fifteen (15) days following the termination of this Agreement by the expiration of the Term of Pursuant to the provisions of Section 6.1 hereof, Broker shall furnish to Owner a written list of all prospective purchasers with whom Broker has had significant contacts in Broker's efforts to solicit and obtain offers to purchase the Property during the portion of the Term of this Agreement following the date Broker was required to provide Owner of the most recent report pursuant to Section 7.5 hereof, which notice shall set forth with respect to each of the Broker's Prospects (a) the name, address and individual with whom contracts were maintained and (b) the nature and status of the negotiations.

**Continuation of Services.** Broker shall continue to render the services contemplated by this Agreement until the expiration of the Tem of this Agreement or upon the Broker's receipt of written notice by Owner of the termination of this Agreement pursuant to the Termination clause above.

### **REASONABLE EFFORT**

**Utilization of Best Efforts.** Broker shall utilize its best efforts to find a purchaser for the Property. Broker's efforts shall (at Broker's sole cost and expense) include, but not be limited to:

- (a) include the Property with other listings maintained by Broker;
- (b) place a suitable sign on the Property;
- (c) notify Owner promptly of all prospective purchasers;
- (d) show the Property to prospective purchaser;
- (e) advertise and promote the sale of the Property in all accepted media; and
- (f) If necessary, prepare and provide marketing literature for the Property, to be reviewed and approved by Owner, for prospect informational purposes, containing all pertinent and relevant data about the Property.
- (g) Broker shall pursue these duties with diligence.

**Advertising.** All advertising of any kind or character proposed for use by Broker in connection with the Property shall be subject to the prior approval of Owner. At a minimum, Broker must place the Property in the Statewide Multiple Listing system upon signing of the Agreement. In addition, Broker must utilize the best practical method of advertising the property either via other internet services, such as “Craig’s List”, etc., or through advertisement in local print media for the specific geographic area of the property.

**Cooperation with Brokerage Community.** Broker agrees to fully cooperate with the real estate brokerage community at the large in the marketing efforts aimed at the sale/disposition of the Property. Broker agrees to meet with all prospective purchasers, third party brokers or others, and Broker will respond to all inquiries and/or offers regarding the Property.

**Bi-Monthly Activity Report.** A “Bi-Monthly Activity Report” is to be completed by Broker by the fifteenth and last day of each month and delivered to Owner. The Bi-Monthly Activity Report shall describe prevailing marketing conditions, Broker’s sales and marketing efforts with respect to the Property for the immediately preceding calendar month. Failure to submit may be cause for termination.

### **BROKER’S AUTHORITY**

Broker shall not have the power, right or authority to authorize any work, (i.e., plumbing, carpentry, electrical, etc.) unless specified in attached Exhibit “A”. Nor shall Broker execute an agreement, deed or other instrument on behalf of Owner, unless authorized to do so in writing by the Owner. Broker shall make no representations or warranties concerning the Property, including without limitation, the status, of title, zoning, availability of utilities, ingress and egress, or conditions of any improvements unless such representation or warranties are supplied by Owner in writing and said writing specifically authorizes Broker to make said representations or warranties. Broker agrees to use exclusively the aforementioned RIAR forms for all purchase and sale transactions or other forms prescribed by Owner, which shall be provided to Broker by Owner, where necessary.

### **INDEPENDENT CONTRACTOR**

Broker is acting as an independent contractor in its capacity hereunder. Nothing contained in this Agreement or in the relationship of Owner and Broker shall be deemed to constitute an employer-employee relationship, partnership, joint venture, agency, or any other similar relationship between Owner and Broker, Broker’s authority is limited to showing the property (as herein defined), in accordance with the terms in this Agreement, to a prospective purchaser.

### **LEASES**

If the property is not sold during the Term, Owner retains the right to engage Broker as Agent to lease all or any part of the Property for any period or term that Owner deems acceptable and in the event that Owner should enter into any such lease, a commission equal to one (1) months rent shall be payable to Broker.

### MISCELLANEOUS

**Representations of Broker.** Broker hereby makes the following representations, warranties and covenants to the Owner, all of which shall survive the execution, delivery, performance or termination of this Agreement:

- (a) Broker was and is duly organized, is validly existing, and in good standing under the laws of the state of its formation or incorporation, and has complied with all applicable laws in order to conduct business in the state where the Property is located
- (b) and where the services are performed. Broker has all power and authority required to execute, deliver, and perform this Agreement. Broker has sufficient staff and other resources to carry out Broker's duties hereunder in a prompt, efficient, diligent, and professional manner;
- (c) The execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of Broker;
- (d) Broker has or will obtain all licenses and permits necessary to legally and validly execute, deliver, and perform this Agreement;
- (e) Broker shall make no representations or warranties with regard to the Property or the accuracy or completeness of any information concerning the Property obtained from Owner or any other source;
- (f) This Agreement constitutes a legal, valid and binding agreement of the Broker, enforceable against the Broker in accordance with its terms, except as limited by bankruptcy, insolvency, receivership and similar laws as may be in effect from time to time.

**Assignment.** This Agreement and the covenants and the terms herein contained shall apply to and be binding upon the parties hereto. None of the rights, interests, duties or obligations created by this Agreement may be assigned, transferred, or delegated in whole or in part by Broker, and any such purported assignment, transfer, or delegation shall be void. Principal Broker or Owner must, within 48 hours, inform RIH of any change in ownership or principal broker that in essence, removes the contracted Principal Broker or Owner from responsibilities agreed to as part of this contract.

**Indemnification.** Notwithstanding anything to the contrary herein, Owner shall not be liable or responsible for any accident, loss, injury, or damage attributable to the negligence of Broker, its partners, agents, employees, successors and assigns, occurring or accruing on the Property during the Term of the performance of this Agreement or in connection therewith, and Broker shall and does hereby fully indemnify, protect, defend, and hold harmless Owner in all of its capacities, all its venture partners, employees, agents, predecessors, successors and assigns or

legal representatives from and against all liens, demands, suits, losses and expenses, or any combination thereof, including attorney's fees, of any nature, kind, or description, of any person or entity whomsoever, arising out of, caused by, or resulting from (a) any act or omission constituting gross negligence or willful misconduct or breach of fiduciary duty by any officer, director, agent, or employee of the Broker in connection with the Broker's performance under this Agreement or (b) any action taken by or on behalf of the Broker relating to any asset or to Owner which is not permitted by or pursuant to the provisions of this Agreement.

This indemnity shall not be limited in any way by any limitations on the amount or type of proceeds, damages, compensation acts, disability benefit acts, or other employee benefits acts currently held by Owner or Broker. The Provisions of this section shall survive the expiration or termination of this Agreement.

**Entire Agreement.** This Agreement (including the Exhibits hereto) contains the entire agreement between Owner and Broker, and no oral statements or prior written matter not specifically incorporated herein shall be of any force and effect. No variation, modification or changes hereof shall be binding on either party hereto unless set forth in a document executed by such parties or a duly authorized agent, officer, or representative thereof.

**No Implied Waiver/Remedies.** No failure or delay on the part of either party in exercising any right, privilege, power, or remedy under this Agreement, and no course of dealing between the Broker and Owner shall operate as a waiver of any such right, privilege, power, or remedy; nor shall any single or partial exercise of any right, privilege, power, or remedy under the Agreement preclude any other or further exercise of such right, privilege, power or remedy. No waiver shall be asserted against any party hereto unless signed in writing by such party. The rights, privileges, powers, and remedies available to the parties hereto are cumulative and not exclusive of any other rights, privileges, powers, or remedies provided by statute, at law, in equity, or otherwise. Except as provided in this Agreement, no notice to or demand on either party in any case shall entitle such party to any other or further notice or demand in any similar or other circumstances or constitute a waiver of the right of the party giving such notices or making such demand to take any other or further action in any circumstances without notice or demand.

Effective Date:

By: \_\_\_\_\_  
Guy V. Pirolli

Accepted by:

Signature:

\_\_\_\_\_  
Real Estate Manager  
Rhode Island Housing

Print

Name:

\_\_\_\_\_

**List Names Of Agents You Plan To Use For Rhode Island Housing Properties:**

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## Attachment C

### ADDITIONAL SERVICES

**Basic Property Management.** Although Owner will be responsible for maintenance of the property, from time to time, Broker may be requested to perform certain “reasonable” property management services for Owner. In all cases, Owner shall identify in writing, as part of this Agreement, which of the services listed A-K will be required to be performed by Broker.

These services include but are not limited to the following items:

- A. Inspect property within 48 hours of receiving a contract from RIH and notify RIH of any concerns. Broker may take immediate action to secure and/or correct conditions that are either causing material liability or are in violation of Local and /or state laws, ordinances, or codes. Broker must notify RIH of any action within 24 hours.
- B. Inspect property both inside and outside once every 14 days.
- C. Clean up property and remove debris.
- D. Have grass cut every two weeks during growing season and keep hedges trimmed.
- E. In case of emergency repairs to windows, pipes, roofs, etc., (especially after hours) Broker is authorized to expense up to \$750.00. All invoices for respective repairs must be submitted to RIH for reimbursement within 14 days. See “H” below.
- F. Any non-emergency repairs over \$ 751.00, require three bids which are to be submitted to the RIH for final approval prior to completion.
- G. Make keys available to authorized clients or inspectors, or install Lock Box.
- H. If unavailable to reach RIH for prior approval, secure the property from unauthorized from unauthorized entry.
- I. Winterize and re-key locks, as necessary.
- J. Change all billing from previous owner (utility, gas, electric, water, sewage) to RIH and send copies of receipt to RIH for reimbursement.
- K. If necessary, make available time to meet with vendors, utility representative, etc., on behalf of RIH.

**Other Conditions:**

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