State of California • Arnold Schwarzenegger, Governor
State and Consumer Services Agency
DEPARTMENT OF GENERAL SERVICES
Real Estate Services Division – Asset Management Branch

September 10, 2009

To: All Interested Parties

From: Department of General Services
Asset Enhancement Unit
Asset Management Branch

REQUEST FOR PROPOSAL FOR
COMMERCIAL REAL ESTATE BROKERAGE AND ADVISORY SERVICES
FOR SALE-LEASEBACK OF STATE-OWNED OFFICE BUILDINGS
(RFP No. AMB – 2009-09-03)

The State of California, Department of General Services, Real Estate Services Division (RESD), hereinafter State, is seeking proposals from qualified and California licensed commercial real estate brokerage and/or investment banking firm(s) with qualified personnel having previous experience in providing commercial real estate brokerage and advisory services to sellers on large scale investment income property sales and/or sale-leaseback transactions for governmental and/or corporate clients.

Attached for your consideration is the Request for Proposal (RFP) and instructions for its completion. To be considered for the contract, your firm and the personnel assigned to the contract must meet the minimum qualifications stated in Section 5.

Please carefully review the entire RFP (RFP, key dates, contract agreement and all attachments) upon receiving the package. Note that if you have any question about any part of the RFP process, and the proposal requirements, please submit written question to State by 5 p.m., PST, September 30, 2009. The written questions ensure that all potential Proposer(s) that received the RFP will receive consistent information about any question or issue. All written questions will be published and distributed to all potential Proposer(s) within ten (10) working days following the deadline for written questions.

The completed proposal must be received by the State on or before 5 p.m., PST, October 30, 2009. Proposals received after the specified date and time will be rejected.

Sincerely,

GERALD MCLAUGHLIN
Senior Real Estate Officer (Specialist)

Attachments

CONTENTS

Request for Proposal and Key dates

Key Dates

1. Introduction
2. Background and Properties Covered
3. Length and Coverage of Contract
4. Scope of Services
5. Minimum Qualifications and Proposal Requirements
6. Basis for Consultant Selection
7. Proposal Submission Criteria
8. Special Conditions
9.. Disabled Veterans Business Enterprise Compliance

Attachment I – Sample Form of Agreement

Exhibit A – Statement of Services and Scope of Work

Exhibit B – Budget Detail and Payment Provision

Exhibit C – General Terms and Conditions

Exhibit D – Special Terms and Conditions

Attachment II – Sample Payee Data Record Form

Attachment III – Proposal Evaluation Sheet

REQUEST FOR PROPOSAL FOR
COMMERCIAL REAL ESTATE BROKERAGE AND/OR INVESTMENT BANKING ADVISORY SERVICES

Key Dates

Issuance of Proposal:	September 10, 2009
Deadline for Written Questions:	September 30, 2009
Final Proposal Submission Date:	October 30, 2009
Screening and Evaluation of Proposals:	November - December, 2009
Interviews	December 7-10, 2009
Consultant Selection:	December 17, 2009
Post Notice of Intent to Award:	December 17, 2009
Award Contract	December 28, 2009

Proponents must mail six (6) complete copies of their material in a sealed package, including one unbound copy containing original signatures marked as “master copy” to:

Department of General Services
Asset Management Branch
Real Estate Services Division
707 Third Street, 6th Floor MS-501
West Sacramento, CA 95605
Attention: Gerald McLaughlin

Or deliver them to:

Gerald McLaughlin, Senior Real Estate Officer (Specialist)
Department of General Services
Asset Management Branch
Real Estate Services Division
707 Third Street, 6th Floor
West Sacramento, CA 95605

The outside of the sealed response package must be marked:

“State of California, Request for Proposal, Commercial Investment Real Estate Services.”

Costs (commissions) must be separately sealed in an envelope clearly marked “Costs”.

Proposals must be received no later than 5 p.m., PST, October 30, 2009.

1. Introduction

The State of California, Department of General Services (DGS), Real Estate Services Division (RESD), hereinafter called the State, is requesting proposals from qualified and licensed commercial real estate brokerage and/or investment banking firm(s), hereinafter referred to as Proposer(s), with qualified personnel having previous experience in providing commercial real estate brokerage and advisory services to sellers on large scale commercial real estate asset sales and/or sale-leaseback transactions for governmental and/or corporate clients. Specifics will be unique to each transaction, and will be determined in accordance with the authorizing legislation and direction from RESD staff.

2. Background/Properties

Pursuant to Government Code Section 14670.13, the Department of General Services may enter into a sale or long-term lease for any, or all, of the following state owned and occupied real properties or buildings, or both:

A. The Attorney General Building located at 1300 I Street in the City of Sacramento.

B. The California Emergency Management Agency Building located at 3650 Schreiver Avenue in the City of Rancho Cordova.

C. The Capitol Area East End Complex, located in the City of Sacramento including the following properties:
   i. Block 225 located at 1430 N Street;
   ii. Block 171 located at 1501 Capitol ;
   iii. Block 172 located at 1500 Capitol Avenue;
   iv. Block 173 located at 1615 Capitol Avenue;
   v. Block 174 located at 1616 Capitol Avenue; and
   vi. The parking facility located at 1214 17th Street.

D. The Elihu M. Harris Building located at 1515 Clay Street in the City of Oakland.

E. The Franchise Tax Board Complex located at 9645 Butterfield Way in the City of Sacramento.

F. The San Francisco Civic Center, also known as the Earl Warren / Hiram Johnson Building in the City and County of San Francisco, including the following properties:
   i. 350 McAllister Street; and
   ii. 455 Golden Gate Avenue.

G. The New Junipero Serra State Building located at 320 West 4th Street in the City of Los Angeles.

H. The Department of Justice Building located at 4949 Broadway in the City of Sacramento.

I. The Public Utilities Commission Building, also known as the Governor Edmund G. "Pat" Brown Building, located at 505 Van Ness Avenue in the City and County of San Francisco.

J. The Judge Joseph A. Rattigan Building located at 50 D Street in the City of Santa Rosa.

K. The Ronald Reagan State Building located at 300 South Spring Street in the City of Los Angeles.

The State reserves the right to make available additional real properties to be sold by the selected Contractor. Such additions shall be made by formal written amendment to the Contract.

3. Length and Coverage of Contract

The State may execute a contract with a Proposer to provide commercial real estate brokerage and/or investment banking advisory services for one or more or all of the State-Owned real properties and/or buildings listed in Section 2 of this RFP with the highest scored responsive, responsible Proposer that meets the minimum qualifications established in this RFP. The term of the contract shall be for an initial two-year period, unless earlier terminated, with the State's sole option to renew for one (1) additional one-year period. For purposes of this contract, the selected Proposer shall act only as seller's agent for the State of California.

4. Scope of Services

The selected Proposer will be responsible for providing support to the State's staff in the sale and/or sale-leaseback of real properties and/or buildings that may be assigned to the successful Proposer in the sole discretion of the State.

The principal responsibility of the selected Proposer shall be to review due diligence, develop marketing strategies and implementation of comprehensive marketing plans, on behalf of the State and under the direction of RESD staff, for assigned real properties and/or buildings to maximize sale and/or sale-leaseback opportunities that result in closed transactions with the highest and most certain return to the State. The commercial real estate brokerage and/or investment banking advisory services may include, but are not limited to:

A. Conduct, Assemble, review and disseminate due diligence materials to prospective buyers;
B. Market survey and economic analyses;
C. Interpretation and assessment of relevant market trends;
D. Development of comprehensive marketing strategies;
E. Implementation of a comprehensive strategic marketing plan;
F. Marketing and escrow timeline projections;
G. Property valuation estimates;
H. Project specific financial and market analysis and recommendations on pricing and positioning of real properties and/or buildings;
I. Assessment of property sale and sale-leaseback opportunities;
J. Preparation and review of sale-leaseback offering documents;
K. Targeted solicitation of prospective buyers and/or their agents;
L. Dissemination of bid packages;
M. Advertising real properties and/or buildings in local, regional and national media as set forth in the marketing plan and approved by RESD staff;
N. Communication with prospective buyers;

O. Representation of the State's interests in the negotiation of sale leaseback(s) of assigned real properties and/or buildings;
P. Proposal/offer evaluation and implementation;
Q. Qualifying prospective buyers;
R. Transaction execution;
S. Monitoring, coordination and closing escrow accounts;
T. Monthly reporting to the assigned RESD staff contact about current/new marketing efforts, contacts/leads, and other developments when there are active property listings;
U. Maintaining timely telephone and/or e-mail contact with the assigned RESD staff when there are active interest and transactions;
V. Providing market information on a regular basis and when requested while representing the State in sale-leasebacks of assigned real properties and/or buildings;
W. Attending meetings to provide progress updates when requested;
X. Seamless electronic communication;
Y. Entitlement and Zoning Surveys; and
Z. Parking Surveys.

5. Minimum Qualifications and Proposal Requirements

Please note that responses to this RFP are sought only from experienced Proposer(s) who can demonstrate their ability to perform and who have a proven track record of success in providing commercial real estate brokerage and/or investment banking advisory services to sellers involving large scale investment income property sales and/or sale-leaseback transactions for governmental or corporate clients.

Minimum Qualifications:

All Proposers must meet all of the following minimum qualifications. Failure to satisfy each of the qualifications will result in the immediate rejection of the proposal.

A. The firm, organization or company must be a licensed real estate broker and Lead Contact/Contract Manager and other key real estate professional(s) that will be assigned to the contract must be licensed pursuant to Business and Professions Code 10130 Et Seq. and in good standing in the State of California as of September 3, 2009 and throughout the term of the contract. Only one submittal will be accepted from each firm, organization or company.

B. The Lead Contact/Contract Manager assigned to the contract and responsible for the coordination and execution of the work must have a minimum of ten (10) years experience in providing commercial real estate brokerage and/or investment banking advisory services to sellers involving large scale investment income property sales and/or sale-leaseback transactions for governmental and/or corporate clients. The Lead Contact/Contract Manager must have completed, during the seven (7) year period beginning July 1, 2002 and ending June 30, 2009, at least five (5) investment income property sales and/or sale-leaseback transactions, where the contracted selling price was at least $20 million each, <u>and</u> completed an aggregate of at least $150 million in investment income property sales and/or sale-leaseback transactions, in any case wherein the Lead Contact/Contract Manager represented the seller.

Proposal Requirements:

All of the information requested must be provided in the prescribed format. A proposal which does not provide the information requested will be rejected unless the State determines, in its sole discretion, that the omission is an immaterial deviation or defect in the proposal and may be corrected without undue prejudice to other competing proposals.

As a minimum the proposal shall provide the following information:

A. *General:* Proposer(s) seeking consideration must complete and return to the State a cover letter and all portions of the enclosed Attachment I and Attachment II by 5:00 PM PST on October 30, 2009.

B. *Cover Letter:* A cover letter, which shall be considered an integral part of the proposal, shall be signed by the individual(s) who is/are authorized to bind the Proposer contractually. This cover letter must indicate the signer is so authorized and must indicate the title or position which the signer holds in the Proposer's firm. The letter shall also contain: the firm's name, address and telephone number; a statement expressing the Proposer's unequivocal commitment and ability to perform the services as described in this RFP as well as a statement as to the availability of the Lead Contact/Contract Manager and other key real estate professional(s) and support staff that will be assigned to the contract; a statement of how the firm, organization or company and the Lead Contact/Contract Manager meet the minimum qualifications including a statement that the Lead Contact/Contract Manager has over ten (10) years experience in providing commercial real estate brokerage and/or investment banking advisory services to sellers involving large scale investment income property sales and/or sale-leaseback transactions for governmental and/or corporate clients; a statement that the information contained in the proposal is accurate to the best of Proposer's knowledge and belief; and a statement to the effect that the proposal is a firm and irrevocable offer for one year.

C. *Compensation Schedule:* Proposer(s) must submit a compensation schedule, in the form of a commission percentage and as outlined in Section 6, Item D., for the services to be rendered under this proposal. Proponent(s) shall provide a list of market research information and/or data sources that will be made available to the State at no additional cost. The compensation schedules, as submitted, shall be guaranteed by Proposer(s) for the maximum two-year term of the contract, and the optional extension thereof, if exercised by the State.

D. Company/Firm Information: Provide the name of business entity (including any fictitious business names), date of incorporation or date founded, history of the firm, details of entity's business structure (corporation, partnership, LLC), organization chart of business entity, current financial statement(s) of all entities related to the company/firm or joint venture that will be involved in the contract, number and location of offices located in California, number and location of office(s) in other states and/or countries, number of licensed brokers AND number of agents/salespersons employed by company/firm.

E. Contact Information: Provide the name and title of Lead Contact/Contract Manager representative and other key real estate professional(s) that will be assigned to the contract including resumes of education, experience and qualifications, any unique qualification(s) related to experience, copies of California broker/salesperson licenses, phone numbers, mailing addresses, website, e-mail addresses and their areas of responsibility in servicing the account;

F. Litigation: Provide a list of any outstanding litigation in which Proposer is a named party;

G. Marketing Plan/Schedule: Provide a completed overall marketing plan and schedule for all properties listed in Government Code Section 14670.13 (b) and an explanation of the rationale behind the marketing plan and schedule. To the extent applicable, provide information regarding the extent of your firms marketing network to include the following:

I. Describe your firm's internal process for receiving and disseminating customer leads and other relevant market information to assist in facilitating transactions;

II. Describe any memberships, affiliations and/or any external networks your firm is a member of or has established to assist in facilitating transactions;

III. Describe the extent to which your firm operates and/or networks with other firms to conduct business in other states or countries; and

IV. Describe the process your firm uses to market or attract buyers on a national or international basis;

H. Performance/Comparative Results of Past Sales: Proposer must provide a list of all investment income property sales that occurred anytime during the seven (7) year period beginning July 1, 2002 and ending June 30, 2009, where the contracted sales price was at least $20 million, and provide a list of sales examples during the same period, which in aggregate total at least $150 million, in any case wherein the Lead Contact/Contract Manager represented the seller. For at least five (5) of the past sales examples, where the contracted sales price was at least $20 million, provide a description of the property, all relevant sales information, and how long it had been listed with the Lead Contact/Contract Manager prior to being sold. Sales information should include at a minimum: buyer, seller, product type, price, date of sale, property address, land area, building square footage (gross, usable and rentable, as applicable), any payment terms if applicable, and any revenue streams from the property at the time sold. For each of the sample sales above, provide 2 comparable sales transactions by principals and/or competitors. The comparable sales must be within the same market area as the relevant sales example, of same type of use, and occurred within 90 days of the example. For each comparable sale, provide same sales information required above, to the extent known, except additional sales comparables. Proposer shall also provide a summary list of all closed investment

income property sales transactions where the contracted price was at least seven and one-half million dollars ($7,500,000.00) that occurred anytime during the ten (10) year period beginning July 1, 1999 and ending June 30, 2009 where the Lead Contact/Contract Manager represented the seller. Sales information should include at a minimum: price, date of sale, property address, land area and gross building square footage with overall totals and subtotals by product type. Lead Contact/Contract Manager shall also provide a summary list of all sale-leaseback transactions completed during the ten (10) year period beginning July 1, 1999 and ending June 30, 2009, where the Lead Contact/Contract Manager represented the seller/lessee. Information should include at a minimum: price, date of sale, property address, land area and gross building square footage, lease terms and totals.

I. Business References: Proposer(s) must provide a minimum of five (5) business references from government and/or corporate clients for the Lead Contact/Contract Manager and three (3) business references from government and/or corporate clients for the firm, organization or company.

J. Electronic Communication: The Proposer shall provide information regarding its capability to establish seamless electronic communication with RESD to allow direct "one-to-one" data transfer between RESD staff and all the Proposer's communication base locations. Electronic communication shall be capable of transferring word processing documents, spreadsheets, visual presentations, database data files, CADD drawings, schedules, etc in compatible native file formats. If it is determined that Proposer's computer technology is not compatible with the States' technology, Proposer shall be responsible for providing compatible technology to match that of RESD. The State currently utilizes Microsoft XP Professional Version 2002, Service Pack 2; Microsoft Office 2003; Adobe Acrobat Version 8 Professional; AutoCAD 2009; and Adobe Reader Version 9. 100% compatible (or backward compatible) applications are acceptable.

6. Basis for Proposer Award

The State's prime objective in the selection process will be to evaluate each proposal on its merit and select the Proposer receiving the highest total points to provide the required services.

All proposals will be evaluated by the State, which will make an award based on the criteria herein. Evaluation will be based on the content of the written proposal.

Evaluation: Each Proposer that meets the minimum qualifications in Section 5 will undergo an evaluation of each Proposer's qualifications by a team of reviewers selected from the Real Estate Services Division. Team members will individually evaluate the Proposer's responses based on "factors for evaluation" below and score each proposal in accordance with the points allowed as indicated below. Maximum total points are 1,200.

Preferences:

Small business: A five percent (5%) small business preference will be granted to Proposers certified as "Small Business" in accordance with Section 1896 et. seq., Title 2, California Code of Regulations (CCR). Pursuant to CCR Section 1896.14, in order to receive the small business preference, Proposers must have a completed application

(including proof of annual receipts) on file with the Office of Small Business and DVBE Certification (OSDC). The Proposer must have requested a preference from OSDC and meet all applicable requirements under the subchapter and the State Small Business Procurement and Contract Act, (including but not limited to evidence to rebut presumptions) not later than five o'clock (5:00) p.m. on the date on which the subject bid is opened. If the Proposer is not already a Certified Small Business, applications for certification as "Small Business" must be submitted to the Office of Small Business and DVBE Certification (OSDC). 707 3rd Street, First Floor, Suite 1-400, West Sacramento, CA 95605; website: http://www.pd.dgs.ca.gov/smbus.

The application of the five percent (5%) small business bidding preference is now extended to a bidder, whose business is not certified as a small business but commits to subcontracting at least twenty-five percent (25%) of its net bid price to businesses that are California certified small businesses and/or microbusinesses.

Submit a copy of your OSDC certification letter with the Bid Form.

Target Area Contract Preference Act (TACPA), Enterprise Zone Act (EZA), and the Local Agency Military Recovery Area Act (LAMBRA): For information regarding TACPA, EZA, and LAMBRA preferences, see http://www.pd.dgs.ca.gov/edip/att31001.htm

If any fraction of less than one point arises as a result of any of the calculations set forth below, such fraction(s) shall be discarded. For example, if the calculation results in either 30.2 or 30.7 points, the Proposer shall only receive 30 points.

Factors to be considered in evaluating the Proposer(s) will be:

A. The track record of performance of the Lead Contact/Contract Manager in providing commercial real estate brokerage or investment banking and advisory services to sellers involving large scale investment income property sales and/or sale-leaseback transactions for governmental and/or corporate clients in terms of volume of work performed in investment income property sales and experience in sales of office buildings and sale-leaseback transactions. (Total Maximum points = 400).

   (i.) The Proposer submitting the highest total valuation (in US Dollars) of five (5) closed investment income property sales, with a contract sales price of at least $20 million each, during the seven (7) year period beginning July 1, 2002 and ending June 30, 2009, wherein the Lead Contact/Contract Manager represented the seller (Proposer A), will receive 80 points. Each other Proposer will receive points per the following calculation:

   The other Proposers' scores shall be determined by multiplying a fraction, the numerator of which is the total valuation (in US Dollars) of the respective Proposer's five (5) largest closed investment income property sales, and the denominator of which is the highest total valuation (in US Dollars) of five (5) closed investment income property sales submitted by a single Proposer (Proposer A), by the total possible score of 80 points.

   Proposer's total valuation / Proposer A x 80 = Score

An example of the scoring process is shown below. The following example is for demonstration purposes only:

	Valuation (in US Dollars)	Score
Proposer A	$200,000,000	80
Proposer B	$150,000,000	60
Proposer C	$100,000,000	40

(ii.) The Proposer submitting the highest total number of closed investment income property sales transactions, with a contract sales price of at least $20 million each, during the seven (7) year period beginning July 1, 2002 and ending June 30, 2009, wherein the Lead Contact/Contract Manager represented the seller (Proposer A), will receive 80 points. Each other Proposer will receive points per the following calculation:

The other Proposers' scores shall be determined by multiplying a fraction, the numerator of which is the respective Proposer's total number of closed investment income property sales transactions, with a contract sales price of at least $20 million each, and the denominator of which is the highest total number of closed investment income property sales transactions, with a contract sales price of at least $20 million each, submitted by a single Proposer (Proposer A), by the total possible score of 80 points.

Proposer's number of transactions / Proposer A x 80 = Score

An example of the scoring process is shown below. The following example is for demonstration purposes only:

	Number of Transactions	Score
Proposer A	200	80
Proposer B	150	60
Proposer C	100	40

(iii.) The Proposer submitting the highest total valuation of closed sales (in US Dollars) of office buildings, with a contract sales price of at least seven million five hundred thousand dollars ($7,500,000.00) each, during the ten (10) year period beginning July 1, 1999 and ending June 30, 2009, wherein the Lead Contact/Contract Manager represented the seller (Proposer A), will receive 80 points. Each other Proposer will receive points per the following calculation:

The other Proposers' scores shall be determined by multiplying a fraction, the numerator of which is the value (in US Dollars) of the respective Proposer's office property sales, with a contract sales price of at least $7.5 million each, and the denominator of which is the highest valuation of office property sales (in US Dollars), with a contract sales price of at least $7.5 million each, submitted by a single Proposer (Proposer A), by the total possible score of 80 points.

Proposer's total valuation / Proposer A x 80 = Score

An example of the scoring process is shown below. The following example is for demonstration purposes only:

	Volume (in US Dollars)	Score
Proposer A	$200,000,000	80
Proposer B	$150,000,000	60
Proposer C	$100,000,000	40

(iv.) The Proposer submitting the highest total number of closed sales transactions of office buildings, with a contract sales price of at least seven million five hundred thousand dollars ($7,500,000.00), during the ten (10) year period beginning July 1, 1999 and ending June 30, 2009, wherein the Lead Contact/Contract Manager represented the seller (Proposer A), will receive 80 points. Each other Proposer will receive points per the following calculation:

The other Proposers' scores shall be determined by multiplying a fraction, the numerator of which is the respective Proposer's total number of closed investment income property sales transactions of office buildings, with a contract sales price of at least $7.5 million each, and the denominator of which is the highest total number of closed investment income property sales transactions of office buildings, with a contract sales price of at least $7.5 million each, submitted by a single Proposer (Proposer A), by the total possible score of 80 points.

Proposer's # of transactions / Proposer A x 80 = Score

An example of the scoring process is shown below. The following example is for demonstration purposes only:

	Number of Transactions	Score
Proposer A	200	80
Proposer B	150	60
Proposer C	100	40

(v.) The Proposer submitting the highest total number of completed sale-leaseback transactions during the ten (10) year period beginning July 1, 1999 and ending June 30, 2009, wherein the Lead Contact/Contract Manager represented the seller and/or

lessee (Proposer A), will receive 80 points. Each other Proposer will receive points per the following calculation:

The other Proposers' scores shall be determined by multiplying a fraction, the numerator of which is the respective Proposer's total number of closed sale-leaseback transactions and the denominator of which is the highest total number of completed sale-leaseback transactions submitted by a single Proposer (Proposer A), by the total possible score of 80 points.

Proposer's number of transactions / Proposer A = Score

An example of the scoring process is shown below. The following example is for demonstration purposes only:

	Number of Transactions	Score
Proposer A	200	80
Proposer B	150	60
Proposer C	100	40
Proposer D	75	20

B. Quality of the marketing plan. The expectation is that the Proposer will provide a completed overall marketing plan and schedule for all properties listed in Government Code Section 14670.13 (b) as well as an explanation of the rationale behind the marketing plan and schedule. A Proposer that meets these expectations shall receive 100 points. A Proposer that provides detailed personnel assignments roles and responsibilities, scheduling with tasks and sub-tasks and marketing strategies will receive an additional 100 points. A Proposer that does not meet the expectations shall only receive 50 points. Proposers shall receive 50 points each, up to a maximum of 100 points, for each key real estate professional assigned to the contract who individually meets the same minimum qualifications as the Lead Contact/Contract Manager as set forth in Section 5. To be awarded these additional points, the Proposer must submit information that establishes supporting evidence that the respective key professional meets the minimum qualifications as heretofore said. (Total Maximum points = 300).

An example of the scoring process is shown below. The following example is for demonstration purposes only:

Quality	Score
Exceeds Expectations	200
Meets Expectations	100
Does not Meet Expectations	50

Assigned Key Real Estate Professional	Score
First Assigned Key Real Estate Professional meeting Minimum Qualifications	50
Second Assigned Key Real Estate Professional meeting Minimum Qualifications	50

C. Presentation/Interview (Total Maximum points = 100).

Proponent(s) with the top five (5) highest scores, excluding the presentations provided herein and commissions, will be required to conduct an oral presentation/interview at a time and place to be announced. The presentation will provide an opportunity for consideration of the firm's organization, location, staffing, reporting and data processing capabilities, and/or other specific areas of the proposal. Proponent(s) will also be evaluated on their experience in commercial real estate brokerage and advisory services to sellers involving large scale commercial real estate investment sales and/or sale-leaseback transactions on properties and/or buildings for large governmental or corporate clients. The lead contact person must also be the lead person at the presentation. At the presentation, the Proponent(s) may be given a sample project and asked to present the methods necessary to carry out the project. The presentation/interview score added to the evaluation team score will constitute the score for each finalist. (Total Maximum points = 100).

D. Compensation for services. (Total Maximum points = 400).

Compensation for scope of services as indicated in this proposal shall be through commercial real estate brokerage commissions based upon the selling price of the real properties and/or buildings to be paid from proceeds of sale, at the close of escrow. Proposer shall warrant that quoted fees are the only compensation (direct or indirect) that he, she or it will receive from transactions contemplated under this RFP. In the event that the building(s) and/or property or properties are not sold, Proposer(s) shall <u>not</u> be entitled to compensation or reimbursement. Proposer(s) should submit compensation guidelines for the scope of services indicated in this proposal. All compensation for scope of services must be reflected as a percentage of the sales price only of the real properties and/or buildings (not the rental consideration paid for the leaseback upon which there shall be no commission paid). After all commission submittals have been compiled, the lowest commission will be labeled Commission A. The Proposer submitting the lowest cumulative commission (Commission A) will receive 400 points. Each other Proposer will receive points per the following calculation:

Commission A x 400 points ÷ Proposed Commission = Score = 400

An example of the scoring process is shown below. The following example is for demonstration purposes only and is not intended as a recommendation or scoring table:

	Fee	Sales Price	Commission	Score
Proposer A	0.25%	$100,000,000	$250,000	400
Proposer B	0.50%	$100,000,000	$500,000	200
Proposer C	0.75%	$100,000,000	$750,000	133
Proposer D	1.00%	$100,000,000	$1,000,000	100

Clarification:

Proponents may be requested to clarify contents of their proposal package. No Proposer(s) will be allowed to alter its proposal or submit additional information after the final filing date.

Background and reference checks of each finalist may be conducted by the State. State reserves the right, in its sole and absolute discretion to request a signed affidavit from the firm, organization or company and/or the Lead Contact/Contract Manager stating that Lead Contact/Contract Manager actively represented the seller on any listed transaction set forth in Proposer's proposal.

Final Total Score and Award of the Contract:

1. Contract award will be made to the responsive, responsible Proposer having highest total score (See Attachment III).

   All Proposers will be notified in writing of the outcome of the Request for Proposal process. Notice of the Intent to Award will be posted in the RESD office for five (5) days before the award of contract is made.

2. The contract will be executed on the Standard Agreement, Form STD 213, shown as Attachment A, and will include all provisions required in State contracts.

   Protest Procedures:

   Pursuant to Public Contract Code Section 10345, Proposer(s) may file a protest against the awarding of the contract. The protest must be filed during the five (5) working days that the proposed award is posted. Within five (5) days after filing the protest, the protesting bidder shall file with the Department of General Services a full and complete written statement specifying the grounds for the protest. Protests are limited to the following grounds:

   1. The State failed to follow Request for Proposal procedures stated;

   2. The State used the incorrect method to determine contract award;

3. The State failed to follow evaluation and rating methods as specified in the Request for Proposal;

4. The State proposes to award contract to other than Proposer(s) receiving the highest rating(s).

A protest may not be filed contesting the rating factors or the weight given those factors. Once a protest has been filed, the contract may not be awarded until either the protest is withdrawn or the Department of General Services has decided the matter.

Protests shall be in writing and delivered to:

Department of General Services
Asset Management Branch
Real Estate Services Division
707 Third Street, 6th Floor MS-501
West Sacramento, CA 95605
Attention: Gerald McLaughlin

and to:

Department of General Services
Office of Legal Services
707 Third Street, 7th Floor
West Sacramento, California 95605-2811

7. Proposal Submission Criteria

This proposal is an invitation to respond only and is not an offer or agreement to hire or to provide services. It shall not in any manner be construed to be an obligation on the State's part to enter into a contract or result in any claim for reimbursement for costs or efforts you expend in responding to this request including preparation, submission, and/or presentation of proposal(s). The State will not be bound by any proposal received, and reserves the right to reject any or all proposals. Submissions shall become property of the State without obligation and subject to public inspection.

Please submit six (6) copies of your proposal in a sealed package including one (1) unbound copy containing original signatures marked **"Master Copy"** to:

Department of General Services
Asset Management Branch
Real Estate Services Division
707 Third Street, 6th Floor MS-501
West Sacramento, CA 95605
Attention: Gerald McLaughlin

All Proposals shall be clearly labeled "State of California, Request for Proposal, Commercial Real Estate Services". Proposals must be received by the State at the above address by 5:00 PM PST on October 30, 2009.

The State is not responsible for receipt of any proposal improperly labeled.

A Proposer(s) may withdraw the proposal any time prior to the final filing date and time by written notification to the State signed by an authorized agent. The proposal may thereafter be resubmitted, but NOT after the final date and time. Modification offered in any other manner, oral or written, will not be considered.

8. Special Conditions

Errors and Omissions:

If Proposer(s) discover/s any ambiguity, conflict, discrepancy, omission or other error in this RFP, s/he shall immediately notify the State of such error in writing and request clarification or modification of the document.

Modifications to this RFP will be made by addenda issued pursuant to the Addenda Paragraph, below. Such clarifications shall be given by written notice to all parties who have been furnished an RFP for the purpose of submitting proposals, without divulging the source of the request. If a Proposer(s) fails to notify the State of a known error prior to the Final Proposal Submission Date or an error that reasonably should have been known, he/she shall assume the risk of proposing. If awarded the Contract, *he/she* shall not be entitled to additional compensation or time by reason of the error or its later correction.

Questions Regarding the RFP:

Proponents requiring clarification of the intent and content of the RFP, or on the competitive proposal process, may request clarification only by submitting written questions to:

Department of General Services
Asset Management Branch
Real Estate Services Division
707 Third Street, 6th Floor MS-501
West Sacramento, CA 95605
Attention: Gerald McLaughlin

Questions must be received by September 30, 2009. Questions and answer sets will be mailed to all Proposer(s) within ten (10) working days, following the deadline for questions. The source of the request for clarification will not be identified.

Any verbal representations made by RESD staff or persons affiliated with RESD are not binding on the State or the Proposer(s) and cannot be interpreted as modifications or clarifications of this RFP.

All technical questions should be directed to Gerald McLaughlin, Senior Real Estate Officer (Specialist), Asset Management Branch at (916) 375-4009. Administrative questions related to the RFP should be directed to Cheryl Bates, Contracts Assistant at (916) 376-1749.

Addenda:

The State may modify any part of the RFP, prior to the date fixed for submission of final proposals, by issuance of an addendum to all parties who have required and received a copy of the RFP. Addenda will be numbered consecutively.

Other Criteria:

Right to reject any or all proposals:

The policy of the State is to solicit proposals with a sincere intention to award a contract. This policy will not affect the State's right in its sole and absolute discretion to reject any or all proposals.

Proposer's cost:

All costs for developing proposals are entirely the responsibility of the Proposer(s) and shall not be chargeable to the State.

10. Disabled Veterans Business Enterprise Compliance

In accordance with Title 2, Administration, Section 1896.62 (b) of the California Code of Regulations, the Department has waived this requirement.

ATTACHMENT I – SAMPLE FORM OF AGREEMENT

STATE OF CALIFORNIA

Attachment A

STANDARD AGREEMENT

STD 213 (Rev 6/2002)

AGREEMENT

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME
Department of General Services

CONTRACTOR'S NAME

2. The term of this Agreement is: January 1, 2010 through December 31, 2012 with the states option to renew for one (1) one-year term

3. The maximum amount of this Agreement is: $ Compensation to be a percent (%) of selling price paid from proceeds of sale.

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Statement and Scope of Work	3 pages
Exhibit B – Budget Detail and Payment Provisions	1 pages
Exhibit C – General Terms and Conditions (GTC-307)	3 pages
-- Certification (CCC-307)	4 pages
Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)	6 pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR'S NAME *(if other than an individual, state whether a corporation, partnership, etc.)*	
BY *(Authorized Signature)*	DATE SIGNED*(Do not type)*
PRINTED NAME AND TITLE OF PERSON SIGNING	
ADDRESS	DATE SIGNED*(Do not type)*
STATE OF CALIFORNIA	
AGENCY NAME	
BY *(Authorized Signature)*	DATE SIGNED*(Do not type)*
PRINTED NAME AND TITLE OF PERSON SIGNING	☐ Exempt per:
ADDRESS	

Exhibit A
SCOPE OF SERVICES

1.0 STATEMENT OF SERVICES

The Contractor will be responsible for providing commercial real estate brokerage and advisory services to support the State's staff on the sale-leaseback of real properties and/or buildings that may be assigned in the sole discretion of RESD. The services which the Contractor is to perform may include but will not be limited to the following:

A. Conduct, assemble, review and disseminate due diligence materials to prospective buyers;
B. Property valuation estimates;
C. Market survey and economic analyses;
D. Interpretation and assessment of relevant market trends;
E. Development of comprehensive marketing strategies;
F. Implementation of a comprehensive strategic marketing plan;
G. Marketing and escrow timeline projections;
H. Project specific financial and market analysis and recommendations on pricing and positioning of real properties and/or buildings;
I. Assessment of property sale and sale-leaseback opportunities;
J. Preparation and review of sale-leaseback offering documents;
K. Targeted solicitation of prospective buyers and/or their agents;
L. Dissemination of bid packages;
M. Advertising real properties and/or buildings in local, regional and national media as directed by RESD staff;
N. Communication with prospective buyers;
O. Representation of the State’s interests in the negotiation of sale leaseback(s) of assigned real properties and/or buildings;
P. Proposal/offer evaluation and implementation;
Q. Qualifying prospective buyers;
R. Transaction execution;
S. Monitoring, coordination and closing escrow accounts;
T. Monthly reporting to the assigned RESD staff contact about current/new marketing efforts, contacts/leads, and other developments when there are active property listings;
U. Maintaining timely telephone and/or e-mail contact with the assigned RESD staff when there are active interest and transactions;
V. Providing market information on a regular basis and when requested while representing the State in sale-leasebacks of assigned real properties and/or buildings;
W. Attending meetings to provide progress updates when requested;
X. Seamless electronic communication;
Y. Entitlement and Zoning Surveys; and
Z. Parking Surveys.

2.0 COORDINATION

All services that the contractor is to provide will be managed and coordinated by a RESD staff member(s) assigned. The RESD assigned staff member(s) may be a different person(s) on any given project. The responsibility of the staff member(s) is to act as liaison for all parties involved in the transaction and to

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assure that all objectives are being met. All pertinent aspects of the total transaction shall be coordinated through the assigned RESD staff member(s). .

3.0 TECHNOLOGY:

The contractor shall be responsible for establishing seamless electronic communication with RESD to allow direct "one-to-one data transfer between RESD and all the contractors' communication base locations. Electronic communication shall be capable of transferring word processing documents, spreadsheets, visual presentations, database data files, CADD drawings, schedules, etc in native file format. If it is determined that broker's computer technology is not compatible with the States' technology, Broker shall be responsible for maintaining compatible computer software technology to match that of RESD. The State currently utilizes Microsoft XP Professional Version 2002, Service Pack 2; Microsoft Office 2003; Adobe Acrobat Version 8 Professional; AutoCAD 2009; and Adobe Reader Version 9. 100% compatible (or backward compatible) applications are acceptable.

4.0 QUALIFICATIONS:

Contractor must be a licensed real estate firm, organization or company in good standing in the State of California throughout the term of this agreement. Lead Contact/Contract Manager and other key real estate professional(s) that will be assigned to the contract must be licensed pursuant to Business and Professions Code 10130 Et Seq. throughout the term of this agreement.

The Contract Manager who will be the Lead Contact/Contract Manager with the State for the coordination and execution of work is _____ . Contractor agrees that the Lead Contact/Contract Manager will be physically located at the following address:_____

_____

_____.

Contractor will perform the management and coordination of services in _____, California.

5.0 PROGRESS REPORTS

Contractor shall submit to the assigned State's representative a monthly progress report, and when requested, concerning the scope of services performed during the preceding month on a given project. The form of the progress report shall be subject to approval by the State and shall include and identify all pertinent events and milestones accomplished to date.

6.0 LEAD CONTACT/CONTRACT MANAGERAND KEY REAL ESTATE PROFESSIONAL

Contractor and the State shall assign a Contract Manager and key personnel responsible for the performance of the contract. The Lead Contact/Contract

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Manager must have a minimum of ten (10) years experience in providing commercial real estate brokerage and/or investment banking advisory services to sellers involving large scale investment income property sales and/or sale-leaseback transactions for governmental and/or corporate clients. The Lead Contact/Contract Manager must have completed, between July 1, 2002 and June 30, 2009, at least five (5) commercial sale and/or sale-leaseback transactions, where the contracted price was at least $20 million each and an aggregate of $150 million in commercial sale and/or sale-leaseback transactions, where the Lead Contact/Contract Manager represented the seller. Contractor shall not remove Lead Contact/Contract Manager or key real estate professional prior to the completion of his or her assignment under the project without the prior written approval of the State, which approval is in the State's absolute discretion. Contractor shall nominate a replacement individual to the State and shall not remove any individual from the project until his/her replacement has been approved by the State. The State reserves the right to request the removal of any Contractor personnel assigned to the project when, in The States opinion, the individual's performance is unsatisfactory.

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Exhibit B

Budget Detail and Payment Provision

Contractor agrees that the compensation schedule for the services to be rendered under this agreement will be the rate they will recover for the maximum two-year term of the contract, and any extensions thereof.

Compensation for scope of services as indicated shall be through commercial real estate broker commissions paid through sales proceeds upon the close of escrow for the RESD assigned property or properties and/or building(s). All compensation for scope of services is percent (%) of the gross selling price only. In the event that the building(s) and/or property or properties are not sold, Proposer(s) shall not be entitled to compensation or reimbursement.

Contractor agrees the complete compensation for services performed under this agreement are as follows:

A. _____percent (%) of the gross selling price. Contractor warrants that these fees are the only compensation (direct or indirect) that he, she or it will receive from any transaction completed under this contract. Contractor, by executing this Agreement, agrees to relinquish any and all rights to compensation other than as expressed herein.

B. The contractor understands that under no circumstances shall the State be obligated to pay anyone other than Contractor any commission or finder's fee in connection with any sale or sale-leaseback other than as set forth and provided for herein.

C. The State reserves the right to order changes in the services to be performed by Contractor. All such changes shall be incorporated in written amendments to this agreement executed by the State and Contractor, which shall specify the changes ordered and the adjustment of compensation and completion time required therefore.

D. Any services added to the scope of this Agreement by an amendment shall be executed under all applicable conditions of this agreement. No claim for additional compensation or extension of time shall be recognized unless contained in a duly executed amendment.

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GTC 307

EXHIBIT C

G E N E R A L T E R M S A N D C O N D I T I O N S

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR*:* Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of

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Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.
a. The Government Code Chapter on Antitrust claims contains the following definitions:
1). "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
2). "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement,

a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: "For any Agreement in excess of $100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a). The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and

b) The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department."

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of $200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

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CCC-307

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

Contractor/Bidder Firm Name (Printed)	*Federal ID Number*
By (Authorized Signature)	
Printed Name and Title of Person Signing	
Date Executed	*Executed in the County of*

CONTRACTOR CERTIFICATION CLAUSES

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

1) the dangers of drug abuse in the workplace;
2) the person's or organization's policy of maintaining a drug-free workplace;
3) any available counseling, rehabilitation and employee assistance programs; and,
4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

1) receive a copy of the company's drug-free workplace policy statement; and,
2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an

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order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES $50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over $100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code Section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

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1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

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6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be*:* (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

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Exhibit D

Special Conditions

1.0 TERM AND TERMINATION

The term of this Agreement shall be for two (2) years from the date this Agreement is executed and approved on behalf of the State. At the sole option of the State, the State may extend this Agreement for one (1) additional one (1) year periods or terms.

A. Notwithstanding any other provisions to the contrary, this Agreement may be terminated by the State for any reason with or without cause upon thirty (30) days written notice to the contractor

B. The performance of work or delivery of products under this agreement may be terminated in whole or in part by the State upon written notice to Contractor in accordance with this clause whenever the State determines that such termination is in its best interest. After receipt of said notice Contractor shall stop work on this Agreement on the date and to the extent specified in the notice.

C. If Contractor should be in default and fails to remedy this default within five days after receipt from the State of notice of such default, the State may in its discretion, immediately terminate this Agreement or such portion of work assigned under this agreement as the State determines is directly affected by the default.

D. The term default for purposes of this provision includes, but is not limited to, the performance of work in violation of the terms of this agreement; abandonment, assignment or subletting of this agreement without approval of the State; bankruptcy or appointment of a receiver for contractors property; failure of Contractor to perform the services or other required acts within the time specified for this agreement or any extension thereof, refusal or failure to provide proper workmanship in accordance with professional standards applicable to contractor and the activities undertaken; refusal or failure to use properly skilled employees; failure to take effective steps to end a prolonged labor dispute; and the performance of this agreement in bad faith.

E. Upon the State's termination of this Agreement for default by Contractor or any portion thereof, the State reserves the right to complete the work or the portion by whatever means it deems expedient including but not limited to the hiring of others on such terms as the State deems advisable and the expense of completing such work as well as any and all damages proximately caused by the default shall be charged to the Contractor.

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State shall immediately notify all landlords/owners of situation and Contractor shall not have a right to any compensation attributed to assigned project.

F The performance of work under this Agreement may be terminated by the State, in its discretion for unforeseen causes beyond the control and without the fault or negligence of Contractor, including acts of God, acts of the public enemy, governmental acts, fires and epidemics if such causes irrecoverably disrupt or render impossible contractors performance hereunder. An 'act of God' shall mean an earthquake, flood, cyclone, or other cataclysmic phenomenon of nature beyond the power of Contractor to foresee or make preparation in defense against.

2.0 INSURANCE

At all times during the life of this Agreement or as may be further required by this Agreement, Contractor at its own cost and expense shall provide the insurance - specified by this article.

A. Evidence Required

At or before execution of this Agreement, Contractor shall provide The State with 1) copies of all policies or certification by a properly qualified representative of the insurer(s) that Contractor insurance complies with this article, and 2) copies of any required endorsements.

B. Notice of Cancellation, Reduction or Material Change in Coverage

All policies must contain a specific provision for thirty (30) days prior written notice by registered mail to the Real Estate Services Division, 707 Third Street, West Sacramento, CA, 95605, Attn: Assistant Chief, Real Estate Leasing and Management Section, of any cancellation, reduction or material change in coverage.

C. Qualifying Insurers

All policies shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than AXIII according to Best's Insurance Reports.

D. Insurance Required

1. Commercial Liability Insurance for bodily injury (including death) and property damage which provides limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate.

   a. Coverage’s included shall be for premises and operations,

contractual liability expressly including liability assumed under this agreement, personal injury liability with deletion of any exclusions for liability assumed under contract, suits brought by employees, and independent Contractors.

b. Such insurance shall include the following endorsements (copies of which shall be provided): inclusion of the State, its directors, officers, representatives, agents and employees as an additional insured as respect to services or operations in connection with this agreement; cross-liability and severability of interests clauses; stipulation that the insurance is primary insurance and that no insurance or self insurance of the State will be called upon to contribute to a loss.

2. Comprehensive automobile liability for bodily injury (including death) and property damage which provides total limits of not less than and Two Million Dollars ($2,000,000)combined single limit per occurrence applicable to all owned, non-owned and hired vehicles.

3. Workers' Compensation/Employer's Liability - Statutory Workers' Compensation coverage, including a broad form all-states/other states endorsement and Employer's Liability insurance for not less than One Million Dollars ($1,000,000) per occurrence for all employees engaged in services or operations under this Agreement, with an insurer's waiver of subrogation in favor of The State, its directors, officers, representatives, agents and employees. Should any such work be sublet, Contractor shall require each sub Contractor of any tier similarly to comply with this section, all in strict compliance with federal and state laws.

4. Errors and Omissions Insurance of not less than Five Million Dollars ($5,000,000) per occurrence.

E. Special Provisions

1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by Contractor, and any approval of said insurance by the State or its insurance Consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligation otherwise assumed by Contractor pursuant to this Agreement, including but not limited to the provisions concerning indemnification.

2. The State acknowledges that some insurance requirements contained in this article may be fulfilled by a funded self-insurance program of Contractor. However, this shall not in any way limit liabilities assumed by Contractor under this Agreement. Any self- insurance program must be approved in writing by the State.

3. Should any of the work under this Agreement be subcontracted, Contractor shall require each of its subcontractors of any tier to provide

DRAFT

the aforementioned coverage's, or Contractor may insure subcontractor(s) under its own policies.

4. The State reserves the right to terminate this agreement with the Contractor in the event of noncompliance with the insurance requirements of this article.

3.0 DATA TO BE FURNISHED BY THE STATE

All data, reports, surveys, studies, drawings, and any other documents and materials made available to Contractor by the State for use by Contractor in the performance of its services under this Agreement shall be made available for information only and shall be returned to the State at the completion or termination of this Agreement.

4.0 OWNERSHIP OF WORK PRODUCTS

All documents (drawings, designs, specifications, manuals, reports, studies, surveys, models, commission agreements, records of commissions paid to broker, lease information and any other documents, materials, data and products) prepared or assembled by Contractor or obtained from others by Contractor in connection with the services under this Agreement shall be the property of the State; and copies shall be delivered to the State promptly upon completion of the work or upon an earlier termination of this Agreement. The State shall have unlimited rights, for the benefit of the State, in all documents developed in the performance of this Agreement, including the right to use same on any other State work at no additional cost to the State. Contractor agrees to and does hereby grant to the State a royalty- free license to all designs as to which Contractor may assert any rights or establish any claim under the patent or copyright laws. Contractor shall be responsible for the preservation of any and all such documents, materials, data and products prior to transmittal to the State; and Contractor shall replace any such documents, materials, data and products as are lost, destroyed and damaged while in its possession without additional cost to the State. All records mentioned herein shall be made available to the State at anytime during the term of the contract and for one year after the expiration of the contract.

5.0 FINDINGS CONFIDENTIAL

All of the drawings, designs, specifications, manuals, reports, studies, surveys, models, or other data and products prepared or assembled by Contractor, obtained from others by Contractor or made available to Contractor by the State in connection with the services under this Agreement shall be treated as confidential by Contractor, and Contractor agrees that they shall not be made available to any individual or organization without prior written approval by the State and that Contractor shall not disclose, discuss publicly or otherwise disseminate to any other person or entity information concerning any project without the State's prior written approval.

DRAFT

6.0 SUBCONTRACTS

Contractor shall not subcontract all or any portion of its services under this Agreement without the prior written approval of The State, and any attempt thereafter shall be void and unenforceable. In the event that Contractor enters into one or more subcontracts pursuant to this article, it is understood and agreed that the participating subcontractors shall be solely and directly responsible to Contractor, and the State shall have no obligation to them.

7.0 ASSIGNMENT TO AGREEMENT

Contractor shall not assign this Agreement, or any part thereof without prior express written consent of the State, and any attempt thereto shall be void and unenforceable. The State may assign this contract to any other State entity it deems appropriate by providing Contractor 30 days advance written notice

8.0 RECORDS

Contractor shall maintain full and adequate records to show the actual time devoted and the cost incurred by Contractor with respect to the performance of services under this Agreement.

9.0 NOTICES

Except for procedures reports submitted by Contractor pursuant to Article 3.0, all notices or other communications to either party by the other shall be deemed given when made in writing and delivered or mailed to such party at their respective addresses as follows:

To The State by mail or personal express delivery:
Department of General Services
Asset Management Branch
Real Estate Services Division
707 Third Street, 6th Floor MS-501
West Sacramento, CA 95605

Attention: Chief, Asset Management Branch

To Contractor:

Attention:

10.0 DISPUTES

Any disputes concerning questions of fact arising under the terms of this agreement which are not disposed of within a reasonable period of time by the Contractor and State employees normally responsible for the administration of

DRAFT

this contract shall be brought to the attention of the Chief (or designated representative) of each organization for joint resolution. At the request of either party, the State shall provide a forum for discussion of the disputed item(s), at which time State Chief of Asset Management Branch or their representative shall be available to assist in the resolution by providing advice to both parties as to State policies and procedures. If agreement cannot be reached through the application of high level management attention, either party may assert its other rights and remedies within this contract or within a court of competent jurisdiction.

The rights and remedies of the State provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.

11.0 LAWS AND REGULATIONS

Contractor shall comply with any and all laws, statutes, ordinances, rules, regulations, and procedural requirements of any national, state or local government, and of any agency of such government, including the State, which relate to or in any manner affect the performance of this Agreement. This Agreement and any documents supplied hereunder are subject to the California Public Records Act.

12.0 ENTIRE AGREEMENT

This Agreement is the entire agreement of the parties. Contractor represents that in entering into this Agreement, it has not relied on any previous representations, inducements, or understandings of any kind or nature.

13.0 BENEFIT OF AGREEMENT

This Agreement shall bind and benefit the parties hereto and their heirs, successors and permitted assigns.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

DRAFT

Attachment II

Payee Data Record, STD. 204

The successful bidder as a result of this RFQ will be required to sign the Payee Data Record, STD. 204, before contract award. Refer to the following website link for more details:

http://www.documents.dgs.ca.gov/osp/pdf/std204.pdf

DRAFT

Attachment III
STATE OF CALIFORNIA
Department of General Services
Real Estate Services Division
COMMERCIAL REAL ESTATE BROKERAGE AND/OR
INVESTMENT BANKING ADVISORY SERVICES

To be completed by the Real Estate Services Division Evaluation Team only.

Proposer :_____

The proposals will be scored based on each of the categories below, which coincide with the "factors for evaluation" listed in Section 6 – Basis for Consultant Selection of the Request for Proposal. The total possible score is 1,000 points for Proposer(s), including the finalist interview.

FACTORS FOR EVALUATION	MAXIMUM POINT SCORE	PROPOSER'S POINT SCORE
Track record of performance of the Lead Contact/Contract Manager:		
Valuation of Top 5 Sales Transactions>$20 million	80	_____
Number Sales transaction >$20 million	80	_____
Volume Office Sales > $7.5 million (in US Dollars)	80	_____
Number of Office Sales >$7.5 million Transaction	80	_____
Number of Sale-Leaseback Transactions	80	_____
Marketing Plan	200	_____
Key Real Estate Professionals	100	_____
Interview	100	
Sub-total	_____	_____
Preference	_____	_____
Commission	400	
TOTAL MAXIMUM SCORE (without preferences)	1,200	_____

_____ _____
Signature of Evaluator Date

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