



**Request for Qualifications -- Marketing and Brokerage Services
for Sale of Affordable Homes
Issued August 21, 2020**

**Written Questions Due to info@houstonlandbank.org
by 5 p.m. Central time September 11, 2020**

**Responses Due to info@houstonlandbank.org
by 5 p.m. Central time September 25, 2020**

The Houston Land Bank (HLB), a City of Houston local government corporation, seeks community-focused real estate brokers to market new affordable homes and support identification of income-qualified homebuyers. Respondents must meet the criteria and approach as described below and provide a complete submission for consideration.

Based on the results of this procurement, HLB intends to create a pool of three to five brokers to collaborate with representatives of the land bank, the City of Houston, and Houston Community Land Trust, and other community stakeholders interested in expanding opportunities for homeownership and enabling more residents to reside in their preferred neighborhoods permanently.. Qualified firms are to be eligible to provide real estate brokerage and marketing services for HLB through December 31, 2022.

Responsibilities are likely to include, but may not be limited to:

- Serving as a listing broker/agent for marketing of properties identified by the Houston Land Bank to prospective income-qualified homebuyers through workshops, listings, flyers, direct outreach, events, and web/social media presence.
- Conduct trainings about City of Houston homebuyer program eligibility guidelines and connect potential homeowners to training provided by HUD approved agencies (First Time Homebuyers workshops required for income certification).
- Facilitate a pipeline of buyers, and support them, as necessary, through their pre-approval for any necessary financing, and facilitate qualification through the City of Houston's Housing and Community Development Department.
- Develop database of buyers to continue to add to the organization/program's initial list and coordinate with the various non-profit homebuyer education organizations regarding potential homebuyers.
- Facilitate steps required to structure and close final real estate transaction, including the use of dedicated forms/closing documents for this program, for approval by HLB. (Note that properties may be conveyed to the Houston Community Land Trust at the time of closing, requiring an additional transaction.)

- Support additional efforts of the Houston Land Bank in other program initiatives as desired, including working directly with Builders, Developers, and Community Stakeholders as a representative of the Houston Land Bank.
- Support Houston Land Bank on other projects, research, and price opinions as requested.

Respondents must be able to demonstrate experience with, and discuss creative methods for success in, areas such as:

- Success translating home shoppers into homebuyers (providing support and education), and connecting homebuyers to homes
- Connecting homebuyers to homebuyer education programs, particularly those approved by the U.S. Department of Housing and Urban Development (HUD)
- Prequalifying buyers with reputable mortgage lenders
- Income eligibility requirements for programs funded with assistance from HUD and/or similar to those administered by the City of Houston or HLB

HLB seeks brokers with experience and expertise in the residential real estate market in communities and neighborhoods served by HLB and City programs, including those designated as [Complete Communities](#) or neighborhoods where HLB owns or is working to acquire property. Such neighborhoods may include but are not necessarily limited to: Acres Home, Second Ward, Third Ward, Fifth Ward, Gulfton, Kashmere Gardens, Trinity Gardens, Magnolia, Near Northside, Settegast, and Sunnyside.

Background:

Houston Land Bank is the new name of the Land Assemblage and Redevelopment Authority (LARA), established in 1999 to facilitate the redevelopment of vacant and tax damaged residential real estate in target Houston neighborhoods. In 2018, LARA realigned its strategic activities to better serve neighborhood revitalization activity in the City of Houston and changed its name to reflect its core function. The Board of Directors continues to be composed of representatives from the City of Houston, Harris County, and the Houston Independent School District.

HLB will be a key instrument for neighborhood revitalization in Houston, acquiring vacant, blighted, and damaged property for the City and facilitate such property's return to productive use. HLB strives to be an innovative land bank that is recognized as a strong partner in the equitable redevelopment of Houston neighborhoods, and as a good neighbor to the communities in which it is working.

For more information, please visit www.houstonlandbank.org.

Scope of Work and Fee Structure

Through this RFQ, HLB intends to identify a group of three to five prequalified brokers to be on call for contract assignments immediately and within the next two years. The final brokers identified will have a track record of exemplary customer service, and the ability to turn potential buyers into homeowners. Qualified firms are to be eligible to provide real estate brokerage and marketing services for HLB through December 31, 2022.

It is intended that the broker(s) selected from this process will aid the Houston Land Bank in assuring that these homes will be secured by qualified buyers as quickly as feasible by providing a homebuyer experience that is supportive and efficient, and by developing a pipeline of qualified buyers for new homes through the programs described below. For background beyond the information contained in this scope, please see exhibits A (HLB Standard Broker Agreement) and B (HLB Broker Standard Operating Procedures).

Quality Affordable Home Sales

Selected brokers are primarily to support HLB in the land bank's marketing of homes constructed through the City of Houston's New Home Development Program (NHDP), administered by the Housing and Community Development Department. Homes are built by City contractors on HLB properties. The initiative targets qualified homebuyers who qualify for the City's Homebuyer Assistance Program and have household income at or less than 80 percent of the area median income, or AMI. (For a family of four, this would be income of \$63,050 or less based on [most recent data](#).) The program's beginnings are in the Acres Home community in Houston's northeastern area, but work is to expand to additional Houston neighborhoods, several of which are included in the City's Complete Communities effort. For more on the NHDP, visit www.houstonlandbank.org/programs or <http://www.houstontx.gov/housing/nhd/>.

The transactions referenced above may include participation from the Houston Community Land Trust (www.hclt.org), which may acquire the property on which a new home sits and lease that property back to the homebuyer (the non-profit's ownership of the property helps mitigate rising housing costs driven by land value increases and higher property taxes). These three-party transactions require a unique marketing strategy and a unique property conveyance process.

Additional services may be requested to support the development of a homebuyer pipeline up to 120% AMI for the HLB Home Building Initiative, working directly with HLB builders who have purchased properties from the Land Bank.

Supporting Homebuyers and Facilitating Qualification for Assistance

The primary goal of this scope is to provide a streamlined and coordinated effort to support a homebuyer, and their broker or broker's representative (if applicable) from initial interest in the program and the properties to the closing of their new home. Some of the homeowners may be navigating the homebuying process for the first time. Regardless, brokers and their representatives are expected to provide exemplary service to any and all homebuyers participating in HLB or partners' programs.

Developing a Homebuyer Pipeline

Selected brokers will be asked to support outreach and education efforts to help create a pipeline of qualified homebuyers for HLB and partner programs. This may include participating in and/or conducting homebuyer orientations and training and/or similar events and sessions designed to inform potential homebuyers of opportunities available to them related to HLB and partner programs. It may also include identifying and coordinating with external partners and community organizations to facilitate participation in HLB and partner homeownership initiatives.

Anticipated Compensation

Brokers will be paid standard commission at closing of home sales to qualified homebuyers. Please see HLB’s standard broker agreement (Exhibit A to this RFQ) for details.

Expected Timeline

The timeline below represents expected steps in the procurement process. All timing is subject to change. Written questions received at info@houstonlandbank.org before the optional pre-response meeting may be addressed at the meeting.

RFQ posted	August 21, 2020
Written questions due (all responses to be provided in writing on HLB website)	5 p.m. – September 11, 2020
Responses to RFQ due	5 p.m. -- September 25, 2020
Execution of initial contract(s)	October/November 2020

Questions regarding this RFQ should be emailed to info@houstonlandbank.org before 5 p.m. Central time Friday, September 11, 2020; please use the subject line “Broker RFQ questions.” Written responses to all questions received by the deadline will be posted at houstonlandbank.org/resources under the Procurements tab. Questions received at or before the optional pre-response meeting may be addressed informally at the meeting, but HLB’s written responses will be its official answers to questions regarding this RFQ.

Evaluation and Selection Process and Criteria

Responses will be evaluated by a committee to include HLB staff with potential participation by HLB Board Members and/or representation from the Houston Community Land Trust. Statements of qualifications will be scored on the following criteria:

- Demonstrated ability to provide full range of services sought, including home sales, homebuyer support through qualification, and identification of potential homebuyers. (30 points)
- Creativity and innovation in approaches to marketing quality affordable homes for HLB and partners and developing a pipeline of potential homebuyers. (20 points)
- Familiarity with affordable housing programs and with requirements and restrictions on U.S. Department of Housing and Urban Development funding and other key funding streams relevant to HLB and partners’ programs, including the City’s New Home Development Program. (10 points)
- Degree to which the diversity of broker’s team of agents (if any) reflects the communities and neighborhoods served by HLB. (10 points)
- Demonstrated experience working in, or other similar understanding of, neighborhoods served by HLB. (15 points)
- Demonstrated customer service, support and accessibility based on references. (15 points)

HLB reserves the right to reject incomplete proposals. Interviews may be held with selected respondents; outcome of interviews may affect final scoring.

Instructions for Respondents

Please submit complete statements of qualifications in line with the requirements in this RFQ no later than 5 p.m. Central time Friday, September 25, 2020. Statements of qualifications should be submitted by email to info@houstonlandbank.org as a single PDF document of no more than 15 pages using standard fonts and margins. Please make "HLB Real Estate Brokers RFQ Response" the subject line of the email.

Late responses will not be accepted. The time of receipt will be the electronic time stamp in the Houston Land Bank email system.

Requested Structure of Responses

- Cover Letter
 - This should be no more than one page and should include a brief introduction of your firm with contact information including general email, phone number, and website (if applicable). The letter should also include a designated point of contact and (if a different individual) the name of the person(s) authorized to sign for the firm; for each person, please provide contact information including email addresses and telephone numbers.
- Firm Overview – respondents should discuss the broker’s background, history, and experience, especially as they relate to the scope and programs described in this RFQ. Please also highlight any certifications as an MWBE or HUB, as well as any recognition or awards received that would be relevant to the scope in this RFQ.
- Proposed Team Members – list primary broker’s agents and any subcontractors/partners; for each, provide a brief bio (including any languages spoken other than English) and discuss work experience relevant to the scope of work in this RFQ.
- Selling Quality Affordable Homes – respondents should discuss their general approach to and experience in marketing homes, and any creative or innovative ideas for marketing homes related to HLB or partners’ programs.
- Developing and Supporting A Homebuyer Pipeline – respondents should describe strategies and approaches to working with the broader brokerage and affordable homebuyer community to identify and inform prospective buyers and help them through the qualification process and resulting home purchase.
- Neighborhood Presence – respondents should discuss strategies and possible plans for engagement and outreach (how will broker’s representatives be present and available in the communities in which they are to market and sell homes?), and describe which neighborhoods the Broker has had experience..
- References – please provide contact information (phone number and email) for three references who can speak from experience to respondent’s ability to succeed in fulfilling HLB’s needs and the requirements of this RFQ. Please briefly describe your professional relationship with each reference; examples might include past buyers, Realtors, lenders and/or title companies.

HLB reserves the right to revise or cancel any or all portions of this RFQ.

EXHIBIT A - SAMPLE STANDARD BROKER AGREEMENT

LISTING AGREEMENT

BETWEEN

**HOUSTON LAND BANK,
AS SELLER**

AND

_____,
AS BROKER

DATED: _____, 2019

PROPERTY: ACRES HOME

LISTING AGREEMENT

This Listing Agreement (this "**Agreement**") is entered into as of _____, 2019, by and between HOUSTON LAND BANK, a Texas local government corporation ("**Seller**"), and the Broker named in Article 1 hereof. Capitalized terms used herein shall have the meanings given to such terms in Article 1 below.

ARTICLE 1
DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

"**Broker**" means _____, whose address for notices under this Agreement is:

Attention: _____
Telephone: ____ - ____ - ____
Facsimile: ____ - ____ - ____
E-mail: _____

"**Co-Broker**" means a real estate broker, agent or salesman other than Broker which is duly licensed in the State in which the Property is located and who works with or through Broker.

"**Broker Standard Operating Procedure**" means the Houston Land Bank Standard Operating Procedure that provides instructions to the Broker and Co-Broker for the execution of their duties and responsibilities, attached hereto as Exhibit A

"**Effective Date**" means the date set forth in the opening paragraph of this Agreement.

"**New Home Development Program**" means the program developed by Seller and the Housing and Community Development Department of the City of Houston ("**HCDD**") as evidenced by that certain Acquisition and Development Agreement by and between Seller and the City of Houston, Texas dated August 31, 2018 (the "**A&D Agreement**"), a copy of which has been furnished to Broker

"**Person**" means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, entity, party or government (whether territorial, national, federal, state, county, city, municipal or otherwise, including, without limitation, any instrumentality, division, agency, body or department thereof).

"**Property**" means all of Seller's right, title and interest in and to the real property located in Acres Homes, Houston, Harris County, Texas, described on Exhibit A and Seller's

right, title and interest in and to the buildings and other improvements, if any, currently located thereon.

"**Seller**" means the party identified as Seller in the opening paragraph of this Agreement, whose address for notices under this Agreement is as follows:

Houston Land Bank
P.O. Box 131106

Houston, TX 77219
Attention: Anne G. Haynes
Telephone: 281-655-4600

E-mail: ahaynes@houstonlandbank.org

with a copy to:

Winstead PC
600 Travis Street, Suite 5200
Houston, Texas 77002
Attention: K. Gregory Erwin
Telephone: (713) 650-2781
Facsimile: (713) 650-2400
E-mail: gerwin@winstead.com

"**Term**" means the period commencing on the Effective Date and terminating on the first to occur of (1) six (6) month after completion of all improvements to be constructed on the Property by or on behalf of Seller (as evidenced by a certificate of occupancy, whether temporary or permanent, for all of such improvements), or (2) the date upon which all of the Property is sold and all sales commissions (if any) to be paid hereunder are paid in full, unless sooner terminated pursuant to the terms of this Agreement, or (3) June 30, 2020.

"**Total Purchase Price**" means the amount paid as the total or gross purchase price (regardless of the amount referred to in any definitive agreement) for the sale of the Property.

ARTICLE 2 **BROKER'S ENGAGEMENT**

Section 2.1 **Engagement.** Seller engages Broker as Seller's real estate broker in connection with the sale of the Property for the Term. Broker accepts such engagement and agrees to use its best efforts to sell the Property during the Term in accordance with the terms of this Agreement. Without limiting the foregoing, Broker covenants and agrees to perform all of the duties and obligations of Broker set forth herein.

Section 2.2 **Intentionally Deleted.**

Section 2.3 **Broker's Representations.** Broker represents to Seller that Broker is a duly licensed real estate broker in the State in which the Property is located; Broker and such license are in good standing in such State; all real estate agents or salesmen employed by Broker

in connection with the marketing of the Property are duly licensed in all jurisdictions in which such Persons are required to be licensed to be so employed; and Broker is authorized to enter into this Agreement and perform the duties and obligations of Broker hereunder. Broker, at its sole cost and expense, shall take all actions necessary to ensure that all licenses and other authorizations required to enable Broker to perform its duties and obligations hereunder are obtained and remain in full force and effect, without default.

Section 2.4 **Compliance With Laws.** In performing its duties and obligations under this Agreement, Broker agrees it will comply with all laws, rules and regulations applicable to Broker and this Agreement and will not refuse to display or sell the Property to any Person because of race, color, religion, national origin, sex, marital status or physical disability.

Section 2.5 **Standard of Conduct.** The maintenance of extremely high standards of honesty, integrity, impartiality, and conduct by Broker and its officers, directors, employees, agents and representatives (collectively, "**Broker's Parties**") is essential to assure the proper performance of business and the maintenance of public confidence in Seller. Seller expects Broker to uphold and meet these high standards and at all times to use its best judgment and to avoid misconduct and conflicts of interest and to require the same of its employees, agents and representatives. Broker shall avoid any action which might result in or create the appearance of using its position for private gain, giving preferential treatment to any Person, losing independence or partiality, or pursuing Seller's decisions outside of authorized channels. Without limiting the generality of the foregoing, Broker shall not act (a) as a principal for its own account in any transaction involving the sale of all or any portion of the Property or (b) on behalf of any Person in which Broker has a direct or indirect financial or ownership interest, unless such relationships are fully and accurately disclosed to Seller in advance, in writing, and Seller consents to Broker's ongoing activity, which consent may be withheld by Seller in its sole and absolute discretion. Broker shall not take any action that would affect the confidence of the public in the integrity of Seller and shall not engage in conduct prejudicial to Seller, including criminal, dishonest or immoral conduct. Broker shall not (1) misuse Seller's property, (2) use inside information obtained as a result of its retention by Seller for private gain for Broker or any other Person, particularly one with whom it has family, business or financial ties, (3) use its engagement by Seller to coerce, or give the appearance of coercing, a Person to provide financial benefit to Broker, any Broker Party or any other Person, particularly one with whom Broker or a Broker Party has family, business or financial ties, or (4) because of such engagement, receive or solicit from a Person having business with Seller anything of more than de minimis value as a gift, gratuity, loan, entertainment, or favor for Broker, any Broker Party or any other Person. Broker shall disclose to Seller the name and location of any property in which Broker, any Broker Party or any affiliate of Broker has an interest, whether as a direct or indirect seller, as a manager or operator or otherwise, and all other employment or financial interests of Broker, any Broker Party or any affiliate of Broker which may be relevant to Broker's engagement by Seller under this Agreement and shall update such disclosure as necessary to ensure that at all times during the Term all such relationships have been fully disclosed to Seller. Broker agrees that Broker will require all employees, agents and representatives of Broker who are involved in the marketing of the Property to acknowledge that they have read and understand this Section and that they will make the disclosures necessary to ensure that Broker remains in compliance with the terms and provisions hereof. Any violation of the terms of this Section by Broker or its

employees, agents or representatives will constitute a material breach of this Agreement by Broker and a default by Broker hereunder.

Section 2.6 **Right of Entry**. To enable Broker to perform its duties and obligations under this Agreement, Seller agrees that Broker is authorized and entitled to enter upon the Property at all reasonable times, at its sole risk and expense, subject to the rights of tenants occupying any portion of the Property, for the purpose of performing its duties and obligations hereunder, provided that Broker shall not unreasonably interfere with the usual operation of the Property.

Section 2.7 **Term**. Unless sooner terminated in accordance with the terms of this Agreement or extended as set forth in this Section 2.7, this Agreement shall automatically terminate upon the expiration of the Term without any further action on the part of Seller or Broker. Either Seller or Broker may extend the Term for additional periods of six (6) months by written notice to the other party delivered at least thirty (30) days prior to the then-current expiration of the Term, all subject to Section 6.3, below.

ARTICLE 3 **DUTIES AND OBLIGATIONS OF BROKER**

Section 3.1 **Sales and Marketing Plan**. Within seven days following the Effective Date, Broker shall prepare and submit to Seller a comprehensive sales and marketing plan for the Property for the Term ("**Broker's Proposed Plan**"), including a comprehensive strategy in narrative form for the sale of the Property, proposed sales price for the Property, a detailed advertising and marketing budget (including costs for signage, newspaper advertising, brochures, mailings, etc.), and such additional information as Broker deems relevant or as Seller may reasonably request in connection with the proposed sale and marketing of the Property. Broker will be responsible for all costs and expenses Broker incurs in the marketing of the Property. Following receipt and review of Broker's Proposed Plan, Seller shall meet with Broker to review and discuss Broker's Proposed Plan and if requested by Seller, Broker shall make such changes to Broker's Proposed Plan as Seller may require following its discussions with Broker. A revised Broker's Proposed Plan incorporating Seller's required changes shall be submitted to Seller in writing for its final approval and following Seller's written approval, Broker's Proposed Plan shall be referred to herein as the "**Approved Plan**". From time to time during the Term Broker shall be entitled to submit proposed changes to the Approved Plan for Seller's consideration and in the event Seller approves any such proposed changes in writing, such approved changes shall be incorporated into and become a part of the Approved Plan.

Section 3.2 **Broker's Obligations Generally**. In furtherance, and not in limitation, of the engagement of Broker hereunder, Broker hereby agrees to perform the following activities pursuant to the terms of this Agreement:

- (a) market and attempt to sell the Property in accordance with the Approved Plan, and the Broker Standard Operating Procedures.

(b) develop brochures, sales aids, and special sales materials for the Property, provided any such brochures, sales aids or other materials shall be approved by Seller in writing in advance of their use and shall be and remain the property of Seller;

(c) show and exhibit the Property to all prospective purchasers, regardless of referral;

(d) cooperate with Co-Brokers who have or may have prospective purchasers for the Property and endeavor to obtain written offers from all prospective purchasers for the Property;

(e) promptly deliver all offers (both oral and written) received by Broker with respect to the sale of the Property to Seller and with respect to oral offers received, promptly put such offers in writing and deliver such offers, as put in writing, to Seller;

(f) Broker shall notify Seller and the Director of the Houston Housing and Community Development Department ("**HCDD**") as to any qualified low-income buyers identified by Broker (but Broker shall not be obligated to ensure qualification of such buyer nor monitor such buyer's compliance with any applicable affordability covenants requirements);

(g) to the extent requested by Seller, assist Seller in the negotiation of the terms of prospective agreements for the sale of the Property, and in the event Seller enters into a definitive agreement for the sale of the Property, assist Seller with Seller's due diligence and closing obligations under such agreement, including without limitation, if requested, procuring estoppel certificates from tenants of the Property; and

(h) assist Seller in performing its obligations under the A&D Agreement with respect to identifying qualified buyers and marketing Seller's properties in connection with the New Home Development Program, assist with closings of such properties and otherwise perform the duties and obligations of broker thereunder.

Section 3.3 **Advertising; Signs.** In accordance with the Approved Plan and the obligations of Broker described above, Broker shall advertise the Property for sale and may place "For Sale" signs on the Property, provided Broker shall not publish, display or distribute any advertisement or publicity release concerning the Property without first obtaining the written approval of such matter by Seller; and provided, further, Seller shall be entitled to approve and limit the design, size, content and location of any "For Sale" signs for the Property. All costs and expenses incurred by Broker in connection with such advertising and signage shall be paid as provided in Section 3.5 below.

Section 3.4 **Broker's Reporting Requirements.** On or before the fifth day of each calendar month during the Term, and with respect to the last month of the Term, within five days following the expiration of the Term, Broker shall prepare and furnish to Seller a monthly report setting forth in reasonable detail Broker's activities with respect to the sale and marketing of the Property during the preceding calendar month and the results thereof. Each monthly report shall include, without limitation, (1) an identification of potential new sales, including identification of the Person or Persons making inquiry with respect thereto, (2) the updated status of sales previously identified as potential sales, (3) a listing of all potential sales for which discussions

have been terminated and if known, the reasons therefor, and (4) updated market valuations and area property valuations. In addition, to the extent Broker has identified trends, issues or other matters which render continued compliance with the Approved Plan to be contrary to the best interests of Seller, Broker shall identify such matters in its monthly report. To the extent available, such information shall include a brief description of activity in the market and available press coverage of the market and the Property, if any. Based upon such information, Broker's reports shall also include a recommendation as to whether any portion of the Approved Plan should be modified and to the extent modifications are recommended, the specific changes proposed by Broker.

Section 3.5 **Costs and Expenses**. Unless agreed to by Seller in writing, in advance, Broker shall be obligated to pay all costs and expenses incurred by Broker in the performance of its duties and obligations under this Agreement, including all costs of preparing the Approved Plan and all costs for local and long distance telephone calls, copying, mailings, advertising and signs pursuant to Section 3.3 hereof, presentations to prospective purchasers, travel, marketing and entertainment. Notwithstanding the foregoing, Seller hereby agrees that should the Approved Plan require Broker to prepare or obtain printed brochures for the Property, Seller shall be obligated to pay the costs and expenses of preparing such brochures, to the extent such costs and expenses are approved by Seller in the Approved Plan. Seller shall have no obligation to pay any fees or expenses incurred in connection with brochures prepared or otherwise obtained by Broker without first obtaining the consent of Seller as required herein.

Section 3.6 **Confidentiality**. Broker agrees that any information delivered by Seller to Broker or otherwise acquired by Broker in the performance of its obligations under this Agreement which has not previously been made available to the public by Seller or any other Person prior to its disclosure in violation of this Section 3.6, including without limitation information regarding the Property and Seller, shall be deemed "**Confidential Information**" for purposes of this Agreement. Except as otherwise required by any applicable law or court order or as authorized or permitted by Seller in each specific instance, Broker shall not disclose or permit the disclosure of any Confidential Information to any Person other than Seller, Seller's counsel and Persons designated by Seller or Seller's counsel, except to the extent reasonably required to carry out the duties of Broker under this Agreement and in each such event, to Persons who agree to use reasonable efforts to keep such information confidential. Broker agrees that it will hereafter execute and deliver to Seller any reasonable separate documentation requested by Seller to evidence Broker's agreement to comply with the terms of this Section with respect to Confidential Information. Broker shall promptly notify Seller of any court order or subpoena requiring disclosure of Confidential Information and in connection therewith, shall cooperate with Seller and Seller's counsel in the appeal or challenge of any such order or subpoena and shall not disclose any Confidential Information pursuant to such order or subpoena until Seller has exhausted any lawful and timely appeal or challenge that Seller elects to file with respect thereto. The provisions and restrictions of this Section shall survive the expiration or early termination of this Agreement.

ARTICLE 4
LIMITATIONS OF BROKER'S AUTHORITY

Section 4.1 **Broker as Independent Contractor.** Notwithstanding any provision to the contrary contained in this Agreement, Broker expressly acknowledges, confirms and agrees that it is acting, and at all times shall represent that it is acting, as an independent contractor and not as an agent of Seller. Broker has no power or authority to enter into, execute, make or acknowledge any contract, covenant, agreement or representation pertaining to the Property. Broker agrees that in all oral and written communications with prospective purchasers it shall advise such Persons that any and all proposals with respect to the sale of the Property are proposals only and are contingent upon the negotiation and final execution by Seller and by the prospective purchaser of a mutually acceptable and definitive agreement of sale embodying the full terms of the parties' agreement. In addition, Broker acknowledges that any oral and written offer to purchase the Property which is received by Broker shall not be binding upon or enforceable against Seller or create any liability on the part of Seller unless and until Seller accepts such offer and a definitive written agreement of sale incorporating such offer and all other terms of sale is executed by both Seller and a prospective purchaser.

Section 4.2 **Property to be Offered Pursuant to Approved Plan Only.** Unless otherwise agreed by Seller in writing, the Property shall be offered for sale only at the listing prices set forth in the Approved Plan, for cash, on an "as is" basis. Seller reserves the right to determine all of the terms, conditions and provisions of any agreement for the sale of the Property and to reject any offer or agreement of sale in its sole and absolute discretion. In addition, Seller reserves the right to remove any portion of the Property from the market at any time and from time to time, and in connection therewith, Seller may at any time instruct Broker that any portion of the Property shall not be offered for sale unless Seller subsequently instructs Broker otherwise in writing.

Section 4.3 **Broker Not to Accept Deposits.** Broker shall not accept any earnest money or other deposit in connection with an offer to purchase the Property.

Section 4.4 **Broker Not to Make Representations.** Broker shall not make representations or warranties of any kind, express or implied, concerning the Property, Seller or this Agreement or any matter relating to the Property, Seller or this Agreement without the prior written consent and authorization of Seller in each specific instance.

ARTICLE 5
CONSIDERATION

Section 5.1 **Sale Before Expiration of Term.**

(a) Seller agrees to pay to Broker a sales commission, calculated as provided in Section 5.4 below, if and only if all of the following conditions are satisfied:

(1) prior to the expiration of the Term, a potential third-party purchaser is procured by Broker, Owner or any Co-Broker; and

(2) prior to the expiration of the Term, such potential thirdparty purchaser and Seller enter into a definitive agreement for the sale of the Property, upon terms and conditions satisfactory to Seller in its sole discretion, covering all or any portion of the Property; and

(3) to the extent requested by Seller, Broker complies with its continuing obligations under this Agreement to assist Seller in the sale of the Property, including Seller's due diligence and closing obligations under any definitive written agreement of sale; and

(4) the sale contemplated by such definitive written agreement of sale is closed in accordance with its terms, whether before or after the expiration of the Term, as evidenced by the recordation of the deed or other instrument of transfer contemplated thereby and the actual receipt by Seller of the full purchase price to be paid thereunder for the Property.

(b) If Seller and a prospective purchaser are unable to reach agreement on the terms of a definitive agreement of sale or if a sale of the Property contemplated by any definitive written agreement of sale fails to close for any reason or no reason including a default by Seller, or if under any other circumstances the conditions described in Section 5.1(a) above are not fully satisfied, Broker shall not be entitled to any sales commission, compensation or other consideration. If a potential purchaser defaults under any agreement of sale and as a result thereof, Seller becomes entitled to any earnest money or other deposit, damages or consideration, Broker shall nevertheless not be entitled to receive any portion of such earnest money or other deposit, damages or consideration, it being expressly understood and agreed that Broker's right to compensation is limited to the rights expressly granted in Section 5.1 and Section 5.2 hereof and is subject to satisfaction of all of the conditions set forth therein.

Section 5.2 **Sale After Expiration of Term.**

(a) Unless this Agreement is terminated as a result of Broker's default hereunder, Seller agrees to pay to Broker a sales commission, calculated as provided in Section 5.4 below, if and only if all of the following conditions are satisfied:

(1) Within ten days following the expiration or earlier termination of the Term, Broker submits to Seller in writing a list of the names, addresses, telephone numbers and primary contact Person for each Person (limited to a maximum of ten Persons) with whom Broker has had Substantive Negotiations (as hereinafter defined) during the Term with respect to the sale of the Property. Each Person appearing on Brokers list must have been identified previously in a monthly report submitted by Broker as someone with whom discussions regarding the potential sale of the Property were still ongoing and must not be an Excluded Party. For purposes of this Agreement, the term "**Substantive Negotiations**" shall mean the prospective purchaser shall have toured the Property and made a written bona fide offer for the Property. Provided Broker submits the list described in this Section 5.2(a)(1) within the ten day period described herein, all persons appropriately identified on Broker's list shall be deemed to be "**Registered Purchasers**"; and

(2) Within 90 days following the expiration of the Term, (A) Seller and a Registered Purchaser shall have entered into a definitive written agreement for the sale of the Property, and (B) the sale contemplated by such written agreement shall have closed, as evidenced by the recordation of the deed or other instrument of transfer contemplated thereby and the actual receipt by Seller of the full purchase price to be paid thereunder for the Property; and

(3) To the extent requested by Seller, Broker continues to assist Seller in the sale of the Property, including Seller's due diligence and closing obligations under such definitive agreement.

(b) Unless all of the conditions described in Section 5.2(a) above are satisfied, Broker shall not be entitled to any commission, compensation or other consideration as a result of any sale of the Property after the expiration of the Term. If a potential purchaser defaults under any definitive agreement of sale described in Section 5.2(a) and as a result thereof, Seller becomes entitled to any earnest money or other deposit, damages or consideration, Broker shall nevertheless not be entitled to receive any portion of such earnest money or other deposit, damages or consideration. Moreover, notwithstanding any provision of this Agreement which may imply the contrary, under no circumstances shall Broker be entitled to any sales commission or other compensation following a termination of this Agreement as a result of a default by Broker hereunder.

Section 5.3 **Satisfactory Purchaser.** Provided all of the conditions described in Section 5.1(a) or Section 5.2(a) of this Agreement, as applicable, are satisfied, the Person who actually purchases the Property in satisfaction of such conditions shall be referred to in this Agreement as a "**Satisfactory Purchaser**".

Section 5.4 **Commission Calculation.**

(a) **Seller or Broker Procuring Source of Satisfactory Purchaser.** If either Seller or Broker is the sole procuring source of a Satisfactory Purchaser and Broker is entitled to a sales commission hereunder, Broker's sales commission shall be calculated as follows:

6% of the Total Purchase Price

(b) **Co-Broker Procuring Source of Purchase.** If (1) a Co-Broker or (2) Broker and a Co-Broker are the procuring source of a Satisfactory Purchaser and Broker is entitled to a sales commission hereunder, Broker's sales commission shall be an amount equal to 3% of the Total Purchase Price to Broker and 3% of the Total Purchase Price to Co-Broker, provided, however, (A) Broker shall be entitled to such sales commission only if Broker has entered into a binding co-brokerage agreement pursuant to which Broker has agreed to share the sales commission payable to Broker hereunder with the Co-Broker upon such terms and conditions as Broker and the Co-Broker may agree, and (B) if there is no Co-Broker, Broker's commission shall be 5% of the Total Purchase Price. It is expressly understood and agreed that the co-brokerage agreement described in the preceding sentence is a condition precedent to Seller's obligation to pay the sales commission described in this Section 5.4(b) and Broker shall not be entitled to the sales commission otherwise provided in this Section 5.4(b) unless it has

entered into a co-brokerage agreement providing for payment of at least one-half of the commissions payable hereunder to the Co-Broker. Seller shall have no obligation to pay any commission to any Co-Broker and no Co-Broker shall have any rights hereunder or be deemed to be a third party beneficiary of this Agreement or any provision hereof. Broker agrees to provide Seller with such evidence as Seller may reasonably require to confirm that Broker has entered into the co-brokerage agreements required hereby.

Section 5.5 **When Commissions Paid.** All sales commission to be paid by Seller to Broker hereunder shall be payable following actual receipt of the Total Purchase Price by Seller and shall be paid in accordance with the priority established under Section 6.1 of the A&D Agreement. Seller shall use reasonable efforts to cause such sales commissions to be paid to Broker at the closing of the sale for which a sales commission is to be paid, simultaneous with receipt of the Total Purchase Price by Seller. In the event Seller is unable to arrange payment in such manner, payment shall be made within five days following actual receipt of the Total Purchase Price by Seller.

Section 5.6 **No Other Rights to Compensation.** Except as provided in Section 5.1, Section 5.2 of this Agreement, Broker shall not be entitled to any sales commission, compensation or other consideration under this Agreement or otherwise as a result of the sale of the Property. Without limiting the foregoing, Seller shall have no obligation to pay or reimburse Broker for any costs or expenses incurred by Broker in connection with the sale of the Property, including without limitation any taxes, fees or other charges incurred with respect thereto.

Section 5.7 **No Leasing Commissions.** Broker shall not be entitled to any commissions, compensation or other consideration as a result of any lease entered into by Seller for all or any portion of the Property, regardless of the term of any such lease.

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ARTICLE 6 **DEFAULT; TERMINATION**

Section 6.1 **Broker's Default.** Broker shall be in default under this Agreement upon the occurrence of any of the following events or circumstances if:

(a) Broker fails to perform any of the duties and obligations of Broker set forth in this Agreement or if Broker fails to comply with any of the other covenants, terms and provisions of this Agreement, as and when required hereby and such failure continues for five days following written notice thereof from Seller to Broker; or

(b) any representation or warranty of Broker set forth herein is determined to be false, misleading or erroneous in any material respect; or

(c) Broker files a voluntary petition in bankruptcy or for arrangement, reorganization or other relief under any chapter of the Federal Bankruptcy Code or any similar federal or state law now or hereafter in effect or if within 60 days after the filing against Broker of any involuntary proceeding under the Federal Bankruptcy Code or any similar federal or state law now or hereafter in effect, such proceedings have not been vacated; or

(d) Broker engages in any conduct inconsistent with the standards set forth in Section 2.5 hereof; or

Section 6.2 **Remedies for Broker's Default.** If Broker is in default under this Agreement, Seller shall have the right to terminate this Agreement upon notice to Broker and in addition, shall be entitled to exercise all other rights and remedies available to Seller at law or in equity as a result of Broker's default. Any such termination of this Agreement by Seller shall be effective immediately upon written notice to Broker. If Broker is in default hereunder, regardless of whether Seller terminates this Agreement as a result of such default, Broker shall automatically forfeit all rights to commissions, compensation or other amounts payable under this Agreement, regardless of any prior or subsequent sale of the Property or any provision of Article 5 hereof to the contrary.

Section 6.3 **Termination Without Cause.** Either Seller or Broker shall have the right to terminate this Agreement, without cause, upon 30 days written notice to the non-terminating party. If either Seller or Broker terminates this Agreement in accordance with the provisions of this Section 6.3, Broker shall be entitled to receive sales commissions to the extent provided in Section 5.2 of this Agreement, but not otherwise.

Section 6.4 **Broker's Obligations Upon Termination.** At such time as this Agreement terminates, whether as a result of Broker's default, a termination pursuant to Section 6.3 hereof, the expiration of the Term or otherwise, Broker, at Broker's sole cost and expense, shall promptly deliver to Seller all files, proposals, contact lists, marketing information, advertising materials, pamphlets, brochures and other information and documentation in the possession of Broker with respect to the Property. Broker shall be entitled to retain copies of any information which Broker deems reasonably necessary to complete Broker's business records; provided, however, all such information shall be deemed Confidential Information, subject to the provisions of Section 3.6 hereof, which survive the expiration and termination of this Agreement.

ARTICLE 7 **INDEMNIFICATION**

Section 7.1 **Indemnity.** As a material inducement to Seller to enter into this Agreement, Broker hereby covenants and agrees to indemnify, defend and hold harmless Seller and its officers, directors, employees, trustees, shareholders, partners, principals, agents, parents, subsidiaries, investment managers and other affiliates and representatives, regardless of whether any such Person has been disclosed or remains undisclosed, from and against all claims, demands, causes of action, judgments, damages, costs and expenses (including, without limitation, attorneys' fees and court costs), which relate to, arise out of, or are based upon the failure of Broker to comply with the terms and provisions of this Agreement, including without limitation the following:

(a) The failure of Broker or any agent or salesperson of Broker to have and maintain all licenses required by such Persons to act as real estate brokers, agents or salesmen, as applicable, in the State where the Property is located;

(b) The failure of Broker to pay all fees, costs and expenses incurred by Broker in performing its duties and obligations under this Agreement, including all taxes and other charges applicable to such fees, costs and expenses, excluding only those fees, costs and expenses for which Seller is expressly liable under the terms of this Agreement;

(c) Any representation or warranty made by Broker in violation of the terms of this Agreement;

(d) Disclosure of Confidential Information in violation of the terms of this Agreement;

(e) The acceptance by Broker of any earnest money or other deposit with respect to an offer or proposal to purchase the Property; and

(f) The claims of any Co-Broker for commissions or other sums arising out of the sale or potential sale of the Property.

Section 7.2 **Selection of Counsel.** In connection with any matter for which Broker is obligated to indemnify, defend and hold harmless Seller and other Persons pursuant to Section 7.1, Broker shall be entitled to select attorneys to defend such matters, provided such attorneys shall be subject to the prior approval of Seller, such approval not to be unreasonably withheld. Seller agrees to cooperate with Broker and such attorneys in connection with their representation and defense of Seller hereunder. Neither Broker, any attorney selected by Broker and approved by Seller pursuant to this Section 7.2, nor any other Person shall be entitled to settle or compromise any claim covered by Section 7.1 without the approval of Seller.

Section 7.3 **Indemnity by Seller; Limitation of Broker's Liability.**

(a) Seller agrees to protect, defend, indemnify, and hold Broker harmless from any damage, costs, attorney's fees, and expenses that:

(1) are caused by Seller's negligence;

(2) arise from Seller's failure to disclose any material or relevant information about the Property; or

(3) are caused by Seller giving incorrect information to any person.

(b) Broker is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property resulting from any act or omission not caused by Broker's negligence, including but not limited to injuries or damages caused by:

(1) other brokers, their associates, inspectors, appraisers, and contractors who are authorized to access the Property;

(2) other brokers or their associates who may have information about the Property on their websites;

- (3) acts of third parties (for example, vandalism or theft);
- (4) freezing water pipes;
- (5) a dangerous condition on the Property;
- (6) the Property's non-compliance with any law or ordinance; or
- (7) Seller's negligence.

Section 7.4 Seller's Representations and Covenants.

Seller Represents to Broker that:

(a) Seller has fee simple title to and peaceable possession of the Property and all its improvements and fixtures, unless rented, and the legal capacity to convey the Property;

(b) Seller is not bound by a listing agreement with another broker for the sale exchange, or lease of the Property that is or will be in effect during this Listing;

(c) to Seller's knowledge, any pool or spa and any required enclosures, fences, gates, and latches comply with all applicable laws and ordinances;

(d) no person or entity has any right to purchase, lease, or acquire the Property by an option, right of refusal, or other agreement;

(e) Seller is current and not delinquent on all loans and all other financial obligations related to the Property;

(f) Seller has no knowledge of any liens or other encumbrances against the Property;

(g) to Seller's knowledge, the Property is not subject to the jurisdiction of any court; and

(h) all information relating to the Property Seller provides to Broker is true and correct to Seller's knowledge.

Seller's Covenants: Seller agrees to:

(a) cooperate with Broker to facilitate the showing, marketing, and sale of the Property

(b) not rent or lease the Property during this Listing without Broker's prior written approval, which shall not be unreasonably withheld, conditioned or delayed;

- (c) not enter into a listing agreement with another broker for the sale, exchange, lease or management of the Property to become effective during the Term of this agreement without Broker's prior written approval;
- (d) maintain any pool and all required enclosures in compliance with all applicable laws and ordinances;
- (e) provide Broker with copies of any leases or rental agreements pertaining to the Property and advise Broker of tenant's moving in or out of the Property;
- (f) complete any disclosures or notices required by law or a contract approved by Seller to sell the Property; and
- (g) amend any applicable notices and disclosures if Seller knows of any material change that occurs during this listing.

Section 7.5 **Survival**. The indemnity of Broker set forth in this Article 7 shall survive the expiration or early termination of this Agreement.

Section 7.6 **Broker's Insurance**. Broker shall maintain the following insurance coverage during the term, in each case issued by insurance companies with an A.M. Best rating of A+:VII or higher:

<u>Insurance</u>	<u>Minimum Standards</u>
Workers' Compensation	Coverage A: Minimum limits required by Statute (with proof of compliance as acceptable to Owner) Coverage B: \$100,000 Bodily Injury by Accident (Each Accident) \$500,000 Bodily Injury by Disease (Policy Limit) \$100,000 Bodily Injury by Disease (Each Employee) \$2,000,000 per occurrence
Comprehensive General & Umbrella Liability Insurance	
Automobile, Single Limit Bodily Injury and Property Damage	\$1,000,000
Uninsured Motorists	As required by Statute

Broker shall furnish Owner, not later than ten days after the date of this Agreement, with copies of policies, certificates of insurance, or other proof evidencing its insurance coverage as required, together with all exclusions and endorsements, including an endorsement that Owner will be given at least 30 days prior written notice of cancellation or any material change in coverage.

ARTICLE 8

MISCELLANEOUS

Section 8.1 **Entire Agreement.** This Agreement constitutes the entire agreement between Seller and Broker with respect to the matters set forth herein and supersedes all prior discussions, negotiations and agreements, whether oral or written. No amendment to this Agreement shall be valid or binding unless made in writing and signed by both Seller and Broker.

Section 8.2 **Successors and Assigns.** This Agreement shall be binding upon the parties hereto and their respective successors and assigns; provided, however, without the prior written consent of Seller, which consent may be withheld in Seller's sole and absolute discretion, Broker shall not be entitled to assign this Agreement to any Person.

Section 8.3 **Attorneys' Fees.** If either party hereto shall institute any action or proceeding against the other party hereto relating to this Agreement, the successful party in such action or proceeding shall be entitled to recover from the unsuccessful party all fees and expenses incurred in connection therewith, including, without limitation, court costs, reasonable attorneys' fees and related expenses.

Section 8.4 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State where the Property is situated.

Section 8.5 **Headings.** The Article, Section and paragraph headings in this Agreement are inserted for convenience only and are not intended to be used in construing the substance of any of the provisions of this Agreement.

Section 8.6 **Notices.** All notices, demands, requests, approvals and other communications required or permitted by this Agreement shall be in writing, addressed to Seller or Broker, as the case may be, at its respective address for notices set forth in Article 1 of this Agreement, or at such other address as Seller or Broker may from time to time designate by written notice to the other party as herein required. Such notice or other communication shall be (a) mailed by United States certified mail, return receipt requested, postage prepaid and deposited in a United States Post Office or a depository for the receipt of mail regularly maintained by the Post Office, (b) sent by reputable overnight carrier (e.g., Federal Express, DHL, Purolator), (c) by hand, or (d) by electronic mail addressed to the electronic mail address set forth above for the party to be notified with a confirmation copy delivered by another method permitted under this Section. Notice given in accordance herewith for all permitted forms of notice other than by electronic mail, shall be effective upon the earlier to occur of actual delivery to the address of the addressee or refusal of receipt by the addressee. Notice given by electronic mail in accordance herewith shall be effective upon the entrance of such electronic mail into the

information processing system designated by the recipient's electronic mail address. Except for facsimile and electronic mail notices as described above, no notice hereunder shall be effective if sent or delivered by electronic means. In no event shall this Agreement be altered, amended or modified by electronic mail or electronic record. A party's address may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice. Notices given by counsel to the Broker shall be deemed given by Broker and notices given by counsel to the Seller shall be deemed given by Seller.

Section 8.7 **No Electronic Transactions.** The parties hereby acknowledge and agree this Agreement shall not be executed, entered into, altered, amended or modified by electronic means. Without limiting the generality of the foregoing, the parties hereby agree the transactions contemplated by this Agreement shall not be conducted by electronic means, except as specifically set forth in the "Notices" section of this Agreement.

Section 8.8 **Construction.** If any provision of this Agreement shall for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 8.9 **Number: Gender.** Whenever used herein, the singular number shall include the plural and the plural shall include the singular, and the use of any gender shall be applicable to all genders.

Section 8.10 **Time is of the Essence.** Time is of the essence in each provision of this Agreement.

Section 8.11 **Waiver of Jury Trial.** Seller and Broker hereby knowingly, voluntarily and intentionally waive the right to trial by jury in respect of any litigation arising out of, under or in connection with this Agreement or any documents contemplated to be executed in connection herewith or any course of conduct, course of dealings, statements (oral or written) or actions of either party arising out of or related in any manner to the Property (including, without limitation, any action to rescind or cancel this Agreement or any claims or defenses asserting that this Agreement was fraudulently induced or is otherwise void or voidable). This waiver of jury trial is a material inducement for Seller to enter into and accept this Agreement and Broker hereby acknowledges that without this waiver, Seller would not enter into this Agreement.

Section 8.12 **Limited Recourse.** The liability of Seller to Broker under this Agreement is limited to the interests of Seller in the Property and Broker does not have and will not have any personal or corporate claims or causes action against Seller or any disclosed or undisclosed officer, director, employee, trustee, shareholder, partner, principal, agent, parent, subsidiary or other affiliate of Seller or Seller's investment managers for the Property arising out of or in connection with this Agreement or the transactions contemplated hereby. Broker agrees to look solely to Seller's interest in the Property for the satisfaction of any liability or obligation arising under this Agreement or the transactions contemplated hereby.

Section 8.13 **Referral to Broker.** Seller agrees to refer to Broker any and all inquiries received from brokers or anyone else regarding the acquisition of the Property.

Section 8.14 **Prohibited Persons and Transactions.** Neither Broker nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity Sellers, and none of their respective employees, officers, directors, representatives or agents is, nor will they become, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action (such persons and entities being "**Prohibited Persons**") and Broker covenants that it will not lease to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with Prohibited Persons.

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EXECUTED to be effective as of the Effective Date.

SELLER:

HOUSTON LAND BANK,
a Texas local government corporation

By: _____
Name: _____
Title: _____

BROKER:

_____,
a _____

By: _____
Name: _____
Title: _____

EXHIBIT B - HLB BROKER STANDARD OPERATING PROCEDURES

BROKER STANDARD OPERATING PROCEDURES

The Houston Land Bank Contract Broker Procedures will provide guidance to the Broker and homebuyer's agents in the execution of their duties and responsibilities under the Listing Agreement.

1) MARKETING

a. Prospective Homebuyers

- i. The Houston Land Bank Contracted Broker shall maintain a list of prospective homebuyers who have inquired about the New Home Development Program (NHDP) Homes. The list shall include contact information and attainable data as to the status of the prospective homebuyer including prospective homebuyers that have been income qualified by the Housing and Community Development Department. The Broker shall submit a monthly report that includes the above prospective homebuyer data.
- ii. The Houston Land Bank Contracted Broker shall establish a procedure for following up with prospective homebuyers that have inquired about NHDP homes and or have been previously qualified by the City of Houston Housing and Community Development Department as an Income-Qualified Homebuyer.

b. Marketing Plan

- i. The Houston Land Bank Broker shall submit a marketing plan for approval by HLB CEO or designee.
 1. This needs to include both short term and long-term strategies for marketing, specifying ways that the marketing efforts will be evaluated and tracked to improve the program over time.

2. This may also include regular outreach with area real estate brokers and third-party homebuyer educational companies.
- ii. HLB Broker shall submit a monthly report of marketing activities associated with promoting the New Home Development Program Homes designated by HLB. At a minimum this report has to provide information on number of showings, number of eligible buyers who have advanced in the pipeline and their feedback on the properties shown.
- iii. HLB Broker shall utilize commercially available means to market the homes in the New Home Development Program. All contractually reimbursable expenses must be submitted in writing no later than 15 days following the month the expense was made.

HLB Broker must notify HLB in writing regarding any property conditions that need to be addressed for marketing/showing purposes

HLB Broker should maintain highly visible for sale signs on the properties that are listed, clearly labelling the partners of the program, as well as any relevant information about special financing that is available.

- iv. HLB Broker will assist HLB and the City with broker opinions on market sales pricing in various neighborhoods of NHDP designated homes.

2) LISTING HOMES

a. Listing Location

- i. The HLB Broker shall use the Multiple Listing Service (MLS) to list the homes for sale.

b. Listing Instructions

- i. HLB Broker shall submit the listing instructions to be reviewed by HLB CEO or Designee prior to listing the homes for sale.

c. Timeline for Listings

- i. HLB Broker shall list all new NHDP homes for sale within fourteen (14) calendar days of their transition to HLB. HLB staff will make keys available to HLB Broker to utilize for accessing the homes. HLB Contracted Broker shall notify the HLB CEO or designee in writing of any reason that prevents the homes from being listed within this time frame. HLB shall work with the HLB Contracted Broker and any third-party necessary to list the properties in a timely manner.
- ii. Pre-selling homes for construction not completed: HLB Contracted Broker shall list properties for sale where construction is not complete, if HLB and the City have developed approved procedures for the presale of such homes and provided this procedure in writing to the Contracted Broker.

d. Notification of Listings

- i. HLB Broker shall notify the HLB CEO or Designate in writing at the time the homes are listed on the MLS, while communicating to both prospective homebuyers and area brokers. The HLB CEO or Designate will inform the breadth of partners.

3) SHOWINGS

a. Showing Service

- i. HLB Broker shall arrange for a commercially available showing service for licensed real estate brokers/agent to utilize for scheduling showings for homes for sale. HLB Broker shall provide in writing the service name, scope, and basic operations for approval.

b. Authorized Showings

- i. HLB Broker is authorized to approve showing request from any licensed brokers/realtors. Approvals should be documented by

the Broker and such documentation shall be available for review by HLB periodically.

- ii. HLB Broker must receive approval from HLB CEO or designee prior to approving group showings and or tours.
- iii. HLB does not authorize any showings for homebuyers to be conducted by HLB Broker or any licensed real estate broker/agent prior to the homes being listed for sale.
- iv. Violations of showing authorizations will be reported to the local multiple listing service administrator.

4) OFFERS

a. Authorized Contract Offer Submissions

- i. HLB Broker is authorized to receive contract offers from any prospective homebuyer, twelve (12) hours after the home is listed for sale and the HLB Broker has notified HLB in accordance with Section 2(d) of this document.
- ii. HLB Broker is authorized to reject all cash offers of any kind from an individual or third-party.
- iii. HLB Broker acting as an intermediary shall notify the HLB CEO or Designee in writing. .

b. Notification of Contract Offer Submittals

- i. HLB Broker shall notify the HLB CEO or designee of any authorized contract offer submitted in accordance with Section 4(a) of this document regardless of whether offer packet is complete. Broker shall document the time of submission and any such corrections requested by submitting party and shall make such documentation available for review by HLB periodically.

c. Contract Offer Review

- i. A complete contract offer must be reviewed within two (3) business days and submitted to HLB CEO or designee for

approval, unless a review by HCDD is required, at which point HLB must respond within 4 business days.

- ii. Multiple 'acceptable' contract offers received within a 24 hour period for the same home will need to be reviewed by HCDD for their approval, according to their NHDP guidelines and policies. HLB Contracted Broker shall notify the HLB CEO or designee if such a case exists and shall notify both buyer's agents. HCDD will have 3 business days from receipt of offers, and HLB will inform the Contracted Broker of HCDD's response.

5) Representation

- a. HLB Contracted Broker shall list homes for sale on behalf of the HLB in accordance with the terms of their listing agreement and following the procedures set out in this document.
- b. HLB Contracted Broker is permitted to act as an intermediary for a prospective homebuyer except where otherwise prohibited in this document.

6) (intentionally left blank)

INSERT TEMPLATE REPORT FOR MONTHLY REPORT

7) HOUSTON COMMUNITY LAND TRUST PROCEDURES FOR REALTORS

a. Homebuyer Representation

- i. All buyers electing to purchase a home through the Houston Community Land Trust must be represented by a licensed realtor.

b. Submitting Contracts for Community Land Trust Homebuyers

- i. Realtors should contact Houston Community Land Trust staff prior to submitting a contract offer on a home in order to familiarize themselves with pre-offer requirements, including income certification and homebuyer education requirements.

- ii. For all buyers electing to purchase through the Houston Community Land Trust, Houston Community Land Trust staff must review, and sign contract offers before their submission to the listing agent.