

**City of Salem – Listing City Owned Real Estate
Request for Submission of Interest from
Salem-based, Illinois-Licensed Real Estate Agents**

BACKGROUND

The City of Salem wishes to contract with Salem-based, Illinois-licensed real estate agents for the purpose of listing real estate owned by the City of Salem. The properties subject to be listings have economic development potential, and the City wishes to encourage private development, tax base, and job creation thereon. The purpose for this request is to seek interest from Salem-based real estate firms, or individual agents with Salem-based firms, to contract for listing the subject real estate.

INSTRUCTIONS

1. Salem-based real estate firms, or individual agents associated with Salem-based firms, interested in listing specified City real estate are asked to submit a statement of interest to the City of Salem no later than 10:00 am on January 23, 2019. This statement may be made in writing and mailed, hand-delivered, or emailed to the City Manager using information below:

City of Salem
Attn: Bill Gruen
101 South Broadway
Salem, IL 62881

ctymgr@salemil.us

2. Real estate agencies and agents must be duly licensed by the State of Illinois to list real estate.
3. The City Manager is authorized to enter into a listing agreement with agencies or agents for listing real estate noted in the addendum attached to this request. The intent is to use the listing agreement normally used by the eligible agency or agent to which the addendum would be attached.
4. Eligible real estate agencies or agents who register interest shall be able to participate in a form of lottery by which identified City real estate will be assigned to agencies/agents for listing. The form of lottery will be decided by the agencies/agents participating and the City.
5. The City reserves the right to accept statements of interest from agencies and agents it deems to be most qualified to list City real estate. All statements may be rejected and this project cancelled if determined it's in the best interest of the City to do so. The City reserves the right to reject statements of interest from agencies or agents it determines to be unqualified or unlicensed. All agencies/agents agree that rejection of any statement shall be without liability on the part of the City, and agency/agent shall not seek recourse of any kind against the City because of such rejection. The filing of any statement shall constitute an agreement of the bidder to the terms and conditions of these Instructions to bidders.
6. The City of Salem is a municipal, public body. Public funds will be used to procure the services requested in this bid. The selected contractor will be required to inform him or herself concerning, and to comply with, all applicable laws of each and every jurisdiction having authority over any aspect of the proposed work, including but not limited to, Illinois prevailing wage requirements.
7. All rights and remedies afforded to the City of Salem by law, ordinance, or policy of the City shall be retained, whether or not specified in this bid request.

Bill Gruen
Salem City Manager
(618) 548-2222 ext 13
ctymgr@salemil.us

DRAFT - Addendum to Real Estate Contract

A. The City and Broker is entering into a listing agreement for one of the six properties noted below. The sale price for each property is noted below. The minimum commission fee paid to Broker upon closing to be paid to broker shall be either 6% of sales price or the fee noted below, whichever is greater:

	Property	Price	Minimum Commission
1	~ 10 acres on S Hotze	\$70,000.00	\$4,200.00
2	~ 27 acres on Carpenter Dr	\$147,000.00	\$8,820.00
3	~ 2 acres on S Kinney	\$200,000.00	\$12,000.00
4	~ 23 acres on Selmaville Rd		
	Front ~3 acres	\$300,000.00	\$18,000.00
	Rear ~20 acres	\$140,000.00	\$8,400.00
5	~ 15 acres on Industrial Drive	\$33,000.00	\$1,980.00
6	~ 2 acres – “Brown Shoe”	\$10,000.00	\$1,000.00

B. City and Broker agree that properties Nos 3, 4, and 6 in the table above are subject to subdivision, as noted below.

1. Property No 3 is subject to subdivision into two, ~one-acre parcels to be sold at a rate of \$100,000.00 per acre, with a minimum commission totaling \$6,000.00.
2. The Front ~3 acres of Property No 4 is subject to subdivision into not more than three, one-acre parcels at a rate of \$100,000.00 per acre, with a minimum commission totaling \$6,000.00.
3. The Rear ~20 acres of Property No 3 is subject to subdivision into not more than two, ten-acre parcels at a rate of \$7,000.00 per acre, with a minimum commission totaling \$4,200.00.
4. Brown Shoe is subject to subdivision into two, ~one acre parcels to be sold at a rate of \$5,000.00 per acre, with a minimum commission totaling \$1,500.00.

C. City and Broker agree the City will continue to make simultaneous efforts to sell the properties listed for sale herein. This arrangement shall in no way cause Broker to become ineligible to receive the minimum commission noted in this Addendum.

D. Broker understands and agrees that any potential sale of the properties noted above must be approved by a three-fourths vote of the Salem City Council. No commission will be paid unless a sale is approved by the City Council, the approval of which shall be within the sole discretion of the Salem City Council.