


CITY COMMISSION POLICY

GRAND RAPIDS  MICHIGAN	NUMBER: 900-06	HISTORY	
	DATE: February 7, 1978	FILE #	DATE
	FILE NUMBER: 32528	64229	12/30/97
	DEPARTMENT: PLANNING		

SUBJECT: REAL ESTATE COMMISSION POLICY FOR PROPERTIES LISTED WITH GRAND RAPIDS ASSOCIATION OF REALTORS MULTIPLE LISTING SERVICE

PURPOSE: To define rules governing the compensation paid to Realtors or Real Estate Brokers directly responsible for the consummation of a sale of City-owned property offered for sale through the Grand Rapids Association of Realtors Multiple Listing Service (MLS).

POLICY:

The City shall compensate cooperating Real Estate Brokers selling City-owned property that is listed with the Grand Rapids Association of Realtors Multiple Listing Service under the following rules and conditions:

1. Cooperating broker commission rates are as follows: vacant land 5% of selling price and improved properties 4% of selling price. The Grand Rapids City Commission reserves the right to stipulate all terms of a sale.
2. A commission shall be earned and payable when a closing occurs and property rights are transferred and monies exchanged as a direct result of the cooperating broker producing a qualified buyer who has made a written offer to purchase which is accepted by the Grand Rapids City Commission. The Grand Rapids City Commission reserves the right to accept or reject all offers and there is nothing stated in this policy which shall obligate the City to accept an offer it deems unsatisfactory for whatever reason.

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- (a) For the purpose of compensating a cooperating broker, a qualified buyer is defined as an entity secured by the cooperating broker which has the financial capability to fulfill all of the terms of their offer. In addition a qualified buyer must not have previously had any direct involvement in inspecting, offering, or negotiating with the City for the purchase of the offered property.
 - (b) To earn a commission from the City a cooperating broker shall not receive financial compensation from the buyer, or other parties, which is contingent upon or related to the sale or the selling price of the offered property.
 - (c) Cooperating brokers must be properly licensed by the State of Michigan as a real estate broker and must abide by and follow the laws of the State of Michigan.
3. Only one commission fee per offered property shall be paid by the City. In the event of a dispute amongst cooperating brokers, as to which cooperating broker is entitled to said commission, the City shall determine, at its own discretion, which cooperating broker is entitled to the commission. The receipt of commission by a cooperating broker shall signify the cooperating broker's agreement to hold the City harmless from all claims by other brokers.
4. This policy is pertinent only to properties offered for sale through the Grand Rapids Association of Realtors. This policy does not preclude the City from advertising for sale or requesting proposals on City-owned real property without the services of the multiple listing. The sales of these properties are governed by existing City Commission Policy or on an individual property basis.
5. No employee of the City of Grand Rapids shall be compensated with funds from commissions paid through this policy.
6. Sales price and terms of sale shall be established by the appropriate City of Grand Rapids board, commission or department having responsibility for the management or disposal of a specific property being offered for sale. The Grand Rapids City Commission will accept or reject all offers to purchase.
7. The City of Grand Rapids Real Property Manager or his/her designee is authorized to sign listing agreements on behalf of the City of Grand Rapids.