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Exhibit "A"

1484 Kifer Road, Sunnyvale - Scope of Work
Cushman & Wakefield Consulting/Brokerage Services
(Steve Horton, Drew Arvay and Kelly Yoder):

This proposal to assist the City of Sunnyvale in analyzing the subject property, developing a strategy to maximize value and to ultimately implement a controlled process for the disposition of this City asset

- **Meetings and Presentations to Staff:**

We are estimating 6 meetings of 1 hour each;

4 Meetings with 2 members of the Team (\$380 x 2 = \$760):

\$760 x 4 mtgs = \$3,040

2 Meetings with 1 member of the Team (\$380 x 1 = \$380):

\$380 x 2 mtgs = \$ 760

- **Pricing Analysis; Residential vs Office:**

5 hours @\$380 = \$1,900, plus Research- 3 hours @ \$100 per hour = \$300;

= \$2,200

Identification of Most Active Residential Buyers:

2 Hours for Team (2 x \$380), 2 Hours Research Staff (2 x \$100)

= \$ 960

- **Develop Strategies and Coordination of Public Sale of Property:**

Due to the possibility of two-tiered strategy and coordination (one on an as-is zoning and an alternative enhanced density strategy – including extended timeframe for higher density offering):

Instructions/Bidding Protocol – Recommendations 8 hours (8 x \$380)

= \$3,040

Instructions/Bidding Protocol – Instructions 10 hours (10 x \$380)

= \$3,800

Create bid Pre-qualification documents (document creation including legal review est 8 hours at \$380, plus 4 hrs of admin support at \$60 per hour

= \$3,280

- **Promotional Campaign to Reach Potential Buyers:**

Creation of Mailing List: Consultants- 6 hours @ \$380 per hour,

= \$2,280

Research- 8 hours @ \$100 per hour

= \$ 800

Admin- 8 hours @ \$60 per hour

= \$ 480

Placing Advertising in Real Estate Listings and Services:

Consultants- 3 hours @ \$380 per hour,

= \$1,140

(create advertisement) Art Department- 8 hours @ \$200 per hour

= \$1,600

Admin- 6 hours @ \$60 per hour

= \$ 360

Develop and Distribute Marketing Brochures and Flyers:

Consultants- 4 hours @ \$380 per hour,

= \$1,520

(create brochure) Art Department- 10 hours @ \$200 per hour

= \$2,000

- **Activities Associated with Real Estate Transactions:**

Performing Market Analysis: The market analysis includes multiple layers of data that effect value. Several of these factors are very quantitative and include comparable sales, interest rates, CAP rates and income analysis; while other aspects are more qualitative (i.e. market trends, active industries, community benefit, use, density, signage,

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corporate neighborhood). The gathering of these multiple aspects and applying them to the assignment of 4.76 acres, will demand 8 hours of Consultants time @ \$380 per hour = \$3,040
and 8 hours of administrative time @ \$60 per hour. = \$ 480

Touring Interested Buyers: Assuming 12 serious bidders on tours that will take 1 hour each (including market overview tour of Kifer region); 12 hours @ \$380 = \$4,560

Tracking Inquiries/Prospects Related to Sale: Tracking inquiries will only require one Consultant for a period of approximately 4 hours @ \$380 per hour. = \$1,520
Administrators will dedicate approximately 6 hours toward documentation @ \$60 per hour. = \$ 360

- **Conduct Bidding Session:**

Assisting City in Evaluating Bids and Ranking Proposals: This process would include the creation of a weighted priority matrix, which would include the most relevant aspects of the bid process, including: price, timing, track record, probability of close, use, density, impacts, community benefit, height, parking, etc. A separate matrix would be prepared for each of the proposed bidders. Consultant would work with the City to evaluate and identify the best and most logical buyers. It is unclear how many qualified bidders may emerge as part of this evaluation and ranking process. We estimate this to be 8-hours each for both primary Consultants @ \$380 per hour or 16 hours. = \$6,080

Working with City to Negotiate Terms with Bidders: The negotiation of terms with bidders will be handled by the two primary Consultants. We would divide this list and dedicate 6 to 8 hours toward negotiating final terms (this is of course dependent upon number of finalists). Estimated total hours – 12 @ \$380 per hour. = \$4,560

Note: to the extent that the negotiation of terms can be a cost that is transferred to the Buyer as part of a traditional brokerage fee that is the responsibility of the Buyer, the Consultant will not charge the City for those negotiations.

- **Coordinating Transaction Closings:** Once the property is put into escrow with the chosen bidder, the majority of the time required is tracking due diligence progress and coordinating Contract thresholds and deadlines (like increased security deposit and waiving contingencies). These duties are the responsibility of the Consultants and would encompass 8 hours of dedicated time by both of the primary Consultants throughout the escrow period, therefore 6 x 2 = 12 hours @ \$380 per hour = \$4,560

- **City Lead Actions:**

- **City Drafted Amendments** (Consultant has set aside between 3 and 10 hours to provide input to city on critical elements and provisions to Drafted Documents – the maximum of 10 hrs @ \$380 per Hr = \$3,800) = \$3,800
- **Council Meetings:** (Consultant has anticipated 3 City Council meeting may be necessary through the process, Consultant also understands that they may be called upon to speak or testify at city council meetings. Note – City Council

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meeting can run very long, it is not consultants desire to run up the cost for hours spent attending council sessions on matters that do not pertain to the agenda item related to the subject 4.76 acres on 1484 Kifer; Consultant requests the Cities guidance in estimating when the subject agenda item will most likely occur, so we can limit the hourly charge to productive time. In addition we would suggest at this time that no more than two consultant members are necessary to attend City council meetings and one consultant is likely adequate for certain sessions. We (with the Cities help) would hope to limit the time at city council session to 3 hours each session (if less, we will only charge for actual time), due to the nature of public hearings, this Consultant has allotted up to 10 hours of City Council sessions (we will only charge for actual time spent in session). Therefore, if handled by two Consultant for 10 hrs at 3 separate City Council Public Hearings at a cost of \$380 per hr would be \$7,600, = \$ 7,600

Public or Community Meetings and Presentations – estimated at 6 hours = \$ 2,280

- **Mailings to Public:** No assistance or time is anticipated to be necessary to assist the City with Mailing to the Public.

The Total of Above Costs = \$66,100

Exclusive Right to Sell. City appoints C&W as its sole agent and grants C&W the exclusive right to market and sell the Property at a sale price to be determined by City and on such other terms as are acceptable to City. The term of this exclusive authorization (the "Term") shall commence on October 1, 2017 and shall expire on March 31, 2018. City authorizes C&W to advertise the Property subject to City's approval of any advertisements. All advertising will identify C&W as City's exclusive agent for the Property. During the Term, City will refer to C&W all inquiries and offers received by City with respect to the Property, regardless of the source of such inquiries or offers.

City acknowledges and agrees that C&W will request that any purchaser pay (pursuant to a separate written agreement by and between C&W and such purchaser), in addition to the sales price and any commissions which may be owed to the purchaser's real estate broker, if any, a commission to C&W for its representation of City in an amount no greater than two percent (2%) of the total sales price of the Property (the "C&W Commission"), which shall be paid through escrow. Notwithstanding anything in this Agreement to the contrary, it is expressly understood and agreed that under no circumstances shall the City be responsible for payment of any portion of the C&W Commission.

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- **Time and Manner of Payments:** C&W will, solely in its capacity as a real estate broker, provide the City with real estate brokerage consulting and advisory services listed in Exhibit "A" attached hereto (the "Consulting Services"), in order to assist City in preparing the Property for an eventual sale. C&W will charge City hourly fees (the "Consulting Fee") for the Consulting Services provided as outlined in Exhibit "A." The Consulting Fee shall be earned in arrears and shall be paid by the City thirty (30) days after invoice. Notwithstanding anything in this Agreement to the contrary, it is expressly understood that under no circumstances shall the City be responsible to pay C&W a Consulting Fee in an amount in excess of \$66,100.00 in the aggregate for the Consulting Services provided to City by C&W pursuant to this Agreement.
- **Rebate of City Fees:** If the C&W Commission is equal to or greater than one and one-half percent (1.5%) of the sales price (the "Minimum C&W Commission"), C&W agrees to rebate to City, through escrow, from the Minimum C&W Commission unconditionally received by C&W, the amount of any Consulting Fee paid to C&W by City. In the event that the Consulting Fee has not yet been paid at the time C&W unconditionally receives the Minimum C&W Commission, C&W agrees to waive the Consulting Fee. City and C&W acknowledge that City is not a licensed real estate broker. To the extent required by applicable law, City acknowledges that any such fee sharing arrangement must be disclosed to the other party in a transaction prior to the consummation of a transaction. It is expressly agreed and understood that City shall remain responsible to pay C&W a Consulting Fee per the terms of this Agreement in the event that C&W is not paid the Minimum C&W Commission. C&W shall not be required to pay City any sums exceeding the Minimum C&W Commission in the event the rebate due to City under this provision exceeds the Minimum C&W Commission.
- **Professional Advice.** C&W recommends that City obtain legal, tax or other professional advice relating to this Agreement and the proposed sale of the Property as well as the condition and/or legality of the Property, including, but not limited to, the Property's improvements, equipment, soil, tenancies, title, environmental aspects and compliance with the Americans with Disabilities Act. C&W will have no obligation to investigate any such matters unless expressly otherwise agreed to in writing by City and C&W. City further agrees that in determining the financial soundness of any prospective purchaser, City will rely solely upon City's own investigation and evaluation, notwithstanding C&W's assistance in gathering any financial information.
- **Outside Brokers.** If C&W recognizes an outside broker authorized to represent the purchaser in a transaction for the sale of the Property as contemplated hereunder, C&W will advise such broker that it must look to its own client for payment of any and all compensation which may become due it for the proposed transaction. It is acknowledged and agreed that C&W shall not be required to share the commission payable hereunder with any outside broker, and in no event whatsoever shall City be required to pay any commission to any outside broker.

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**NOTICE TO OWNERS, BUYERS AND TENANTS REGARDING
ENVIRONMENTAL MATTERS,
AMERICANS WITH DISABILITIES ACT AND RELATED LAWS,
FLOOD DISCLOSURE, ZONING/USE DISCLOSURE AND
ALQUIST-PRIOLO SPECIAL EARTHQUAKE FAULT ZONING ACT**

ENVIRONMENTAL MATTERS

It is essential that all parties to real estate transactions be aware of the health, liability and economic impact of environmental factors on real estate. Cushman & Wakefield does not conduct investigations or analyses of environmental matters and, accordingly, urges the parties to a real estate transaction to retain qualified environmental professionals to determine whether hazardous or toxic wastes or substances (such as asbestos, PCBs and other contaminants or petro-chemical products stored in underground tanks) or other undesirable materials or conditions are present at the property and, if so, whether any health danger or other liability exists. Such substances may have been used in the construction or operation of buildings or may be present as a result of previous activities at the property.

Various laws and regulations have been enacted at the federal, state and local levels dealing with the use, storage, handling, removal, transport and disposal of toxic or hazardous wastes and substances. Depending upon past, current and proposed uses of the property, it may be prudent to retain an environmental expert to conduct a site investigation and/or building inspection. If hazardous or toxic substances exist or are contemplated to be used at the property, special governmental approvals or permits may be required. In addition, the cost of removal and disposal of such materials may be substantial. Consequently, legal counsel and technical experts should be consulted where these substances are or may be present.

AMERICANS WITH DISABILITIES ACT AND RELATED LAWS

As an owner or tenant of real property, you may be subject to the Americans with Disabilities Act (the ADA), a Federal law codified at 42 USC Section 12101 et seq. Among other requirements of the ADA that could apply to your property, Title III of the ADA requires owners and tenants of "public accommodations" to remove barriers to access by disabled persons and provide auxiliary aids and services for hearing, vision or speech impaired persons by January 26, 1992. The regulations under Title III of the ADA are codified at 28 CFR Part 36.

We recommend that you and your attorney review the ADA and the regulations, and, if appropriate, your proposed lease or purchase agreement, to determine if this law would apply to you, and the nature of the requirements. These are legal issues. Cushman & Wakefield cannot give you legal advice on these issues.

Furthermore, all California commercial leases regardless of size executed on or after July 1, 2013 must contain a provision disclosing whether the premises have been inspected by a government-approved Certified Access Specialist (CAsp) and if so, whether the premises have been determined to be in compliance with all applicable construction-related disability accessibility standards. The law (California *Civil Code* §1938) does not require a landlord to conduct a CAsp inspection of the property; however, it

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does require that the landlord disclose whether or not an inspection has been completed and if so, whether the property meets the applicable accessibility standards.

FLOOD DISCLOSURE

If the premises is located in a Federally Designated Flood Zone, the Tenant's real and personal property situated on or in the premises is not protected by the hazard insurance policy for the property carried by the Landlord. The Tenant is responsible for investigating the Flood Zone status of the premises and obtaining insurance to cover the Tenant's property if it so desires.

ZONING/USE DISCLOSURE

Prior to executing a lease, the Tenant is responsible for determining that the zoning applicable to the property allows the Tenant to use the premises for the Tenant's intended use, and that all building codes, parking requirements, and other governmental requirements, improvements required, and permits necessary have been met or are available to Tenant. Cushman & Wakefield has made no representations, except in writing, if any, concerning the zoning and allowable use of the premises and any requirements that may be imposed upon the Tenant by any governmental agency. If the Tenant's use of the premises requires a Use Permit or other permits from a governmental authority it could take several months to obtain same, and Tenant may still be responsible for the payment of rent and other charges whether or not such permits are ultimately obtained.

ALQUIST-PRIOLO SPECIAL EARTHQUAKE FAULT ZONING ACT

The property may be situated in an Earthquake Fault Zone as designated under the Alquist-Priolo Earthquake Fault Zoning Act, Sections 2621-2630 inclusive, of the California *Public Resources Code*; and, as such the construction of development on the property of any structure for human occupancy may be subject to the findings of a geologic report prepared by a geologist registered with the State of California, unless such report is waived by the city or county under the terms of that Act. No representations on this subject are made by Cushman & Wakefield or its agents or employees, and the Tenant/Purchaser is advised to make its own inquiry into this situation prior to entering into a lease or sale agreement.

By your signature below, you acknowledge that you have read and understand this disclosure and have received a copy:

Received on _____, 20__

Signature: _____

Printed Name: _____