

FEE FOR MONTHLY RETAINER

The City shall pay CBRE a monthly retainer of \$7,500 for a period of twelve (12) months from the date of proposal approval. The monthly retainer is for ongoing consulting services, including but not limited to: market rates, research and data, preparation of marketing materials, annual Economic Development market report, evaluation of three (3) existing P3 bid responses and other “on call” real estate services as required.

FEE FOR TRANSACTION AND DEVELOPMENT ADVISORY SERVICES

The total fee to be paid to CBRE for Development Advisory Services shall be paid by the Developer and calculated based on the “Total Value of the Project” and sliding scale listed below. Total Value of the Project is defined as all hard and soft costs of the project including but not limited to; the value of the land plus infrastructure, design, and construction costs as proposed by Developer.

The Developer shall pay the fee within Thirty (30) days of execution of all development agreements between the City and Developer. **CBRE shall credit back to the City any monthly retainer previously paid at such time as CBRE is paid by Developer.** CBRE will specify the fee arrangement and payment terms in the RFP issued by CBRE on the City’s behalf and stipulate that said fee is to be paid by the developer as a condition for consideration of the Developer’s proposal by the City.

SERVICE	PAID BY	AMOUNT	TIMING
Consulting services for marketing, RFQ process and bid analysis	City	\$7,500 / Month	Payable monthly as services are rendered
Transaction and development advisory brokerage	Developer	Per sliding scale listed below	30 days of execution of development agreement

COMMISSION RATE	TRANSACTION VALUE TRANCHE
3.50%	\$0 - \$10 M
3.00%	\$10 M - \$20 M
2.50%	\$20 - \$30 M
2.00%	\$30 M - \$50 M
1.50%	\$50 - \$100 M
0.95%	\$100 M or greater

These fees reflect commission payable by the City to CBRE only. Any outside brokers / buyer representation will be responsible for seeking commissions from their principals, unless the City believes it to be prudent to offer a supplemental outside representation fee at its discretion. Commissions will be charged per transaction on cumulative and compounding basis.

If any of the existing P3 bids (Byron Carlyle, Collins Park or Barclay) move forward with approval by City Commission and CBRE is engaged to negotiate on the City's behalf, CBRE will be entitled to a commission fee. CBRE and the City will advise the winning proposer and require the developer to revise their development proforma to include CBRE's commission fee. **Given the City started the developer solicitation prior to CBRE's engagement, CBRE will charge a discounted fee of half of the commission rate in the above scale.**

*Should CBRE be engaged on multiple development advisory assignments, the monthly retainer and consulting fee would only be charged once per month at \$7,500, offering economies of scale to the City of Miami Beach.

SCENARIO / EXAMPLE:

The City engages CBRE for development advisory services to redevelop the Cultural and Community Center property and performs the tasks described above. One of two outcomes occur:

1. The City selects a qualified Developer, and CBRE earns a commission of 3%. In this case, the monthly retainer is credited back to the City in lieu of the earned commission.
2. For whatever reason, a Developer is not selected or approved, CBRE keeps the earned retainer fees to account for time and out of pocket expenses.

The above-mentioned assignment and services shall be subject to and performed in compliance with the Florida Department of Management Services Contract #ITN-DMS-12/13-007A Tenant-Broker and Real Estate Consulting Services.

Please don't hesitate to contact us with any questions you may have. We look forward to representing the City of Miami Beach and your citizens.

Sincerely,

William I. Gulliford III

Senior Managing Director

CBRE, Inc

Agreed:

City of Miami Beach