



REQUEST FOR PROPOSAL

FOR

REAL ESTATE MARKETING, SALES AND PROPERTY
MANAGEMENT OF RESIDENTIAL PROPERTIES IN THE PROVINCE OF
ONTARIO
1-4 UNITS

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1 SECTION 1 GENERAL INFORMATION

1.1 Overview of Section 1

The purpose of this section is to provide general information about CMHC and this Request for Proposal.

1.2 Introduction and Scope

Canada Mortgage and Housing Corporation (CMHC) is seeking proposals from Real Estate Marketing and Sales Firms and/or individuals partnering with established Real Estate Marketing Firms (Proponents) for the marketing and property management of selected residential properties (1-4 units) in The Province of Ontario.

CMHC requires that the successful proponent(s) has/have a history of listing and selling residential properties in The Province of Ontario. Proponents must provide evidence in their proposal that they have a strong track record and history of sales and marketing activity in The Province of Ontario. A poor track record or no history of sales will result in the proponent's proposal being eliminated from the evaluation process.

The proponent must include a plan for listing and servicing properties located outside the community in which its office is located. In situations where CMHC properties are outside a 100 km radius or where distance makes it logistically difficult or not feasible for the Real Estate firm to service a listing, CMHC expects the Real Estate firm to arrange a cooperative listing agreement with licensed Real Estate professionals in communities in close proximity where the property is located. Cooperative Listing Real Estate professionals can be with affiliate offices and / or partnership arrangements or other arrangements as indicated and full described by the proponent.

The successful proponent must be licensed to sell real estate in the Province of Ontario, and/or be partnering with individuals established in the business of real estate marketing and sales in the Province of Ontario as of the date of this RFP and be a member in good standing of the Multiple Listing Service (MLS) with access to the MLS data (where MLS is available). More information can be found in Section 4.0, Proposal Requirements

Additionally, each proponent must demonstrate and fully describe their ability to provide property management services for these selected properties.

One (1) contract will be awarded for The Province of Ontario. The contract will be for a one (1) year term with a possible extension for one additional year.

CMHC shall not be obligated in any manner to any proponent whatsoever until a written Agreement has been duly executed relating to a qualified, approved proposal. CMHC reserves the right to award an additional contract for marketing to another firm in certain instances such as where a number of units in a particular project are acquired by CMHC.

More detailed specifications can be found in Section 3, “Statement of Work”.

1.3 CMHC Background

CMHC is the Government of Canada’s National Housing Agency, with a mandate to help Canadians gain access to a wide choice of quality, affordable homes. It is a Crown corporation, with a Board of Directors, reporting to Parliament through the Minister of Employment and Social Development, and Minister responsible for Canada Mortgage and Housing Corporation, the Honourable Jason Kenney.

CMHC has more than 2,000 people located at its National Office in Ottawa, and at various Business Centres throughout Canada. The Business Centre areas are divided into five regions: Atlantic; Quebec; Ontario; British Columbia; and Prairies & Territories.

1.4 Purpose of Request for Proposal

CMHC uses a Request for Proposal (RFP) to describe its requirements, ask suppliers for their proposed solutions, describe the criteria which will be used in evaluating proposals and selecting a lead proponent, and outline the terms and conditions under which the successful proponent will operate or supply goods and/or services. In an RFP process, proposals and proponents are evaluated in terms of ability to satisfy the stated requirements, while providing “Best Value” to CMHC in terms of price.

1.4.1 All Non-Research Service Providers

CMHC’s contracting and procurement activities are decentralized among CMHC’s National Office in Ottawa and various Business Centres throughout Canada.

The policy pertaining to the selection of suppliers is based on the principle that all suppliers must be treated fairly and equally. Suppliers are defined as an individual or firm that could provide, or has provided, goods or services or construction under contract.

CMHC utilizes the Supplier Information (SI) database, maintained by **Business Access Canada** as the Official CMHC source list. All proponents **must** be registered with **Business Access Canada** prior to submitting a proposal. The Procurement Business Number (PBN) provided by **Business Access Canada** must be included with your proposal. If you are not registered, and you wish to do so, you may access **Business Access Canada** (<https://buyandsell.gc.ca/>) or you may call their Information Line at: 1-800-811-1148. Present Suppliers not registered with Business Access Canada are required to self-register on the SI via the Business Access Canada Web site.

1.5 Schedule of Events

The following schedule summarizes significant target events for the RFP process. The dates may be changed by CMHC at its sole discretion and shall not become conditions of any contract which may be entered into by CMHC and the selected proponent.

Date	Activities
September 2, 2014	Request for Proposal issued
September 23, 2014	Deadline for Submission of Questions
September 30, 2014	Submission Deadline
October, 2014	Evaluation and Selection of lead proponent
October, 2014	Finalize contract with lead proponent
October, 2014	Contract award
October, 2014	Announcement of successful proponent
October, 2014	Debriefing to unsuccessful proponents as requested

1.6 Mandatory Requirements

Throughout this RFP, certain requirements are identified as mandatory. A mandatory requirement is a minimum standard that a proposal must meet in order to be considered for further evaluation. Mandatory is defined as having substantial compliance as assessed by CMHC in its sole and absolute discretion.

Mandatory requirements are identified in:

- Section 2 Submission Instructions
- Section 4 Proposal Requirements
- Section 6 Proposed Contract, and
- Appendix A The Certificate of Submission.

Caution: Proposals which fail, in the sole discretion of CMHC, to meet any mandatory requirement will be eliminated from further consideration in the evaluation process. However, CMHC reserves the right to waive any mandatory requirements if it deems fit and appropriate to meet the interests of and provide best value to CMHC. This clause should be interpreted solely for the benefit of CMHC and not for the benefit of the Proponents.

1.7 Procurement Policy Re: The Environment

CMHC fully supports the principle of sustainable development. Economic development and the preservation of the environment are given equal consideration to ensure that the actions of one generation do not compromise the ability of future generations to have an equal quality of life.

To this end, CMHC is dedicated to integrating sound environmental practices into its procurement practices.

The Contracting Authority may authorize preferential pricing of up to ten percent for the purchase of more environmentally sound commodities.

The evaluation methodology in section 5 fully describes any environmental preferences associated with this procurement.

1.8 Proponent Feedback

CMHC aims to continuously improve its bid documents and procedures. CMHC welcomes input regarding proponent experience in responding to its RFPs, whether as a compliment or suggestion for future RFPs.

Proponents may submit comments labelled as *Proponent Feedback RFP 201402919* to the name and address provided in Section 2.4.

As CMHC does not wish to be perceived as influenced by such feedback in the award decision, proponents are requested to submit their feedback after the contract award has been announced.

Any proponent who notes a material flaw in the RFP that could affect the outcome should report it as specified in Section 2.4

1.9 Income Tax Reporting Requirement

As a federal Crown Corporation, CMHC is obliged under the Income Tax Act and Regulations to report payments made by the Corporation to suppliers of goods and/or services by using a T1204 supplementary slip. CMHC must therefore obtain the necessary information from suppliers (including the Contractor's social insurance number and/or corporate identification number) in order to allow it to complete the T1204 supplementary slip. The Lead Proponent(s) will be required to complete and sign a Supplier - Direct Deposit and Tax Information Form (CMHC/SCHL 3085) prior to execution of this Agreement.

2 SECTION 2 SUBMISSION INSTRUCTIONS

2.1 Overview of Section 2

The purpose of Section 2 is to inform the proponent about CMHC's procedures and rules pertaining to this RFP process.

Proponents are advised that CMHC has provided as Appendix C a Mandatory Compliance Checklist for your benefit to complete prior to submission. This is to assist you in ensuring that you comply with all Mandatory criteria as non-compliance will result in disqualification.

2.2 Certificate of Submission Mandatory

The Certificate of Submission, Appendix A, summarizes some of the mandatory requirements set out in the RFP. It is a mandatory requirement that a proposal include a Certificate of Submission (or an accurate reproduction) signed by the proponent. Refer to Section 1.6 Mandatory Requirements.

Proponents must submit a signed Certificate of Submission as part of their proposal. Should a proponent not include the signed Certificate of Submission the proponent will be notified by CMHC and given 48 hours in which to meet this requirement.

2.3 Delivery Instructions and Deadline

Delivery Instructions and Deadline

Timely and correct delivery of proposals to the exact specified proposal delivery address is the sole responsibility of the proponent. All risks and consequences of incorrect delivery of proposals are the responsibility of the proponent. CMHC will not assume or have transferred to it those responsibilities. All registered times will be in accordance with the time CMHC computer servers **receive** the submission, not the time the proposal was sent by the proponent.*

*** Please be advised that E-BID has a size limitation 10 MB. It is advisable and recommended that proponents submit their proposal in multiple smaller files.**

It is recommended that the Proponent send an e-mail as soon as possible after the EBID proposal has been sent, notifying the contact person named in Section 2.4 Inquiries, that a proposal has been submitted to EBID, including the company name and e-mail address, with the date and time the submission was sent.

Upon receipt of proposals, an automated confirmation will be issued to the sender's e-mail address. It is strongly recommended that proponents follow up with the inquiries person named in Section 2.4 should they not receive said confirmation within 30 minutes of submission.

*** Please be advised that electronic transmissions may not necessarily be immediate and can experience lengthy delivery delays. Proponents should ensure that sufficient delivery time is allowed for proposals to be received.**

Address for Delivery

Proposals, including all supporting documentation, are to be sent electronically to the following e-mail address:

EBID@cmhc-schl.gc.ca

The subject line of the transmission must state: RFP, file 201402919

Format

Proposals may be submitted in MS Word or Adobe Acrobat PDF in English or in French. NOTE: In certain email programs the “Send” format may need to be specified as either “HTML” or “Plain Text”. Rich Text formatted or Compressed (Zipped) documents cannot be opened by CMHC.

Proposal Opening and Verification Period

All EBID proposals received on or before the closing date and time specified in this RFP, will be opened for evaluation purposes and verified by CMHC. If at that time, CMHC is unable to open a proposal, the proponent will be so advised and provided an opportunity to resubmit an openable version within 2 hours from notification.

Submission Deadline

Mandatory

Your proposal must be **received** at the exact location as specified above on or before the submission deadline set as:

2:00 p.m. local Ottawa time, on September 30, 2014

Proposals arriving late will be automatically rejected, and the sender will be so notified by e-mail.

2.4 Inquiries

All questions regarding this RFP must be sent by e-mail or facsimile to the following:

Heather Forsyth
Fax: 613-748-2079
hforsyth@cmhc.ca

Information given verbally by any person within CMHC shall not be binding upon CMHC. Proponents must have written confirmation from CMHC for any changes, alterations, etc., concerning this RFP. CMHC cannot guarantee a reply to inquiries received less than **seven calendar days** prior to the closing date.

All written questions submitted, which in the opinion of CMHC affect all proponents, will be answered by CMHC in writing and distributed to all proponents by facsimile, e-mail or GETS. All identification related to the inquiry will be removed in the response. Any questions of a

proprietary nature must be clearly marked. CMHC will determine, at its sole discretion, whether it will respond to the question.

In the event that it becomes necessary to revise any part of the RFP as a result of any inquiry or for any other reason, an addendum to this RFP will be provided to each proponent to whom CMHC has issued this RFP by facsimile, e-mail or GETS.

2.5 Communication

During proposal evaluations, CMHC reserves the right to contact or meet with any individual proponent in order to obtain clarification of its submission or to gain insight into the quality and scope of relevant services. A proponent will not be allowed to add, change or delete any information during this process. CMHC is in no way obliged to meet with any or all proponents for this purpose.

2.6 Proponent Contact

The proponent shall name a person in their proposal to act as a primary contact for CMHC during the evaluation period. A secondary contact should also be provided for backup purposes.

2.7 Offering Period Mandatory

All responses must provide that the terms of the response including the pricing proposal, shall remain valid and binding on the proponent for a period of 90 days following the closing date.

2.8 Changes to Submission

Changes to the submitted proposal can be made, if required, provided they are received as an addendum to, or clarification of, previously submitted proposal, or as a complete new proposal to cancel and supersede the earlier proposal. The addendum, clarification, or new proposal must be submitted as per the delivery instructions outlined in Section 2.3, be clearly marked “**REVISION**”, and be received no later than the submission deadline. In addition, the revised bid must include a description of the degree to which the contents are in substitution for the earlier proposal.

2.9 Multiple Proposals

Vendors interested in submitting more than one proposal may do so, providing that each proposal stands alone and independently complies with the instructions, conditions and specifications of this Request for Proposal.

2.10 Acceptable Alternative

An alternative to any portion of a proposal may be submitted and must be in a separate addendum to the proposal.

An acceptable alternative is one which CMHC considers satisfactory in meeting a mandatory requirement. CMHC at its sole discretion will determine if a proposed alternative meets the intent of the original mandatory requirement.

2.11 Liability for Errors

While CMHC has made considerable efforts to ensure an accurate representation of information in this RFP, the information contained in this RFP is supplied solely as a guideline for proponents. The information is not guaranteed or warranted to be accurate by CMHC, nor is it necessarily comprehensive or exhaustive. Nothing in this RFP is intended to relieve proponents from forming their own opinions and conclusions in respect of the matters addressed in this RFP.

2.12 Verification of Proponent's Response

The proponent authorizes CMHC to conduct such investigation as it deems appropriate to verify the contents of the proponent's response.

2.13 Ownership of Responses

All responses and related materials become the property of CMHC and will not be returned. CMHC will not reimburse the proponent for any work related to, or materials supplied in the preparation of the RFP response.

All information regarding the terms and conditions, financial and/or technical aspects of the proponent's proposal, which, in their opinion, are of a proprietary or confidential nature, must be clearly marked "**PROPRIETARY**" or "**CONFIDENTIAL**" at each item or at the top of each page. Proponents' documents and information so marked will be treated accordingly by CMHC. Notwithstanding the foregoing, proponents are advised that as a Crown corporation, CMHC is subject to the federal legislation with respect to access to information and privacy. Information submitted by third parties will be protected or may be required to be disclosed in specific circumstances pursuant to the federal legislation.

2.14 Proprietary Information

Information contained in this RFP is to be considered "Proprietary Information" and the proponent is not to disclose this information to any party other than the proponent's employees or agents participating in the response to this RFP.

2.15 Corporation Identification

The proponent agrees not to make any use whatsoever of CMHC's name, logo or initials, including public advertisement, without the express written consent of CMHC.

2.16 Declaration re: Gratuities

In submitting its proposal, the proponent certifies that no representative for the proponent has offered or given a gratuity (e.g. an entertainment or gift) to any CMHC employee, Board member

or Governor-in-Council appointee; and intended, by the gratuity, to obtain a contract or favourable treatment under a contract.

2.17 Conflict of Interest

- (a) The Contractor and its principals, employees and agents shall avoid any conflict of interest during the term of this Agreement and shall immediately declare any existing, potential or apparent conflict and shall, upon direction of CMHC, take steps to eliminate any conflict or perception that a conflict of interest exists.
- (b) The Contractor must not provide any services to any third party in circumstances that might reasonably give rise to a conflict of interest, including a conflict between the Contractor's duties to that third party and the Contractor's duties to CMHC.
- (c) In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC, CMHC shall have the right to immediately terminate the Agreement. All portions of the Work which have been completed at the date of termination shall be forwarded to CMHC and CMHC shall be liable for payment to the Contractor of an amount which, in the sole opinion of CMHC, constitutes reasonable payment for the partial performance of the Contractor's obligations under the Agreement. Upon such payment, CMHC shall have no further obligation of any nature or kind to the Contractor.
- (d) Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders (2012) in order to derive a direct benefit from any contract which may arise from this request for proposal.

2.18 Declaration re: Bid Rigging and Collusion

In submitting its proposal, the proponent certifies that:

- (a) prices as submitted in its proposal have been arrived at independently from those of any other proponent;
- (b) the prices as submitted have not been knowingly disclosed by the proponent, and will not knowingly be disclosed by the proponent prior to award, directly or indirectly, to any other proponent or competitor; and
- (c) no attempt has been made, nor will be made, to induce any other person to submit, or not to submit, a proposal, for the purpose of restricting competition.

2.19 Security Clearance

CMHC requires employees of the selected proponent to be security cleared in order to permit them access to CMHC premises when and if required. This process normally takes approximately 5 working days. If they are not security cleared, the proponent or its employees will require an escort by a CMHC employee while in CMHC premises and will not be granted access to CMHC information and systems.

2.20 Joint Venture Responses

Joint venture proposals should adequately represent and communicate the proposed participation and responsibilities of each company in the joint venture, and must provide a description of the proposed joint venture business arrangement which would be entered into by all parties upon receipt of a contract. The description must list the companies involved, indicate how long the business arrangement has been in existence, indicate the service(s) each respective party would be providing and describe the proposed participation and responsibility of each party.

The proponent shall designate one of the partners as the contact person through whom any communication between the proponent and CMHC will be channelled during the RFP process.

Joint venture responses must be accompanied by a signed Certification of Submission from each participating company. Refer to Section 2.2.

2.21 Intellectual Property Rights

All material, reports and other work product produced under this (RFP and the resulting) Agreement will be the sole property of CMHC. The Contractor warrants that the Contractor is the only person who has or will have moral rights in the material created by the Contractor and supplied under this Agreement and the Contractor hereby waives in favour of CMHC all of the Contractor's moral rights in the material, as provided for in the law of copyright. Upon the material coming into existence, the Contractor agrees to execute any document requested by CMHC acknowledging CMHC's ownership of the material and work product and the waiver of the Contractor's moral rights therein.

2.22 Non-Disclosure of CMHC Information

Under this section, "CMHC Information" refers to any and all information which is managed, accessed, collected, used, disclosed, retained, received, created or disposed of in order to fulfil the requirements of the Contract, however obtained. Without limiting the generality of the foregoing, CMHC Information includes data held in any type of electronic format and information provided directly, indirectly or through third parties to the Contractor, any subcontractor, reseller, agent or any other person engaged to perform the Work under the contract.

The Contractor acknowledges and understands that all CMHC Information is subject to Canadian laws on privacy and access to information under which CMHC is bound and that CMHC considers CMHC information to be under its custody and control at all times.

The Contractor further understands and agrees to treat all CMHC Information as proprietary, confidential and sensitive unless otherwise specifically agreed to in writing by CMHC. The Contractor shall restrict access to CMHC Information to those person who have a need to know this information in order to perform the Work under the Contract.

The Contractor shall ensure that CMHC Information shall remain in Canada and expressly agrees to segregate CMHC Information (whether in electronic format or in hard copy) from any other

information in a database or repository physically independent from all other databases or repositories. Without limiting the generality of the foregoing, the Contractor shall not and shall ensure that any subcontractor, reseller, agent or any other person engaged to perform any part of the Work does not release, share or otherwise divulge CMHC Information to any other person including subsidiaries, branch offices, partners of the Contractor or subcontractors without the prior written consent of CMHC.

3 SECTION 3 STATEMENT OF WORK

3.1 Overview of Section 3

This section of the RFP is intended to provide the prospective proponent with the information necessary to develop a competitive proposal. The Statement of Work is a complete description of the tasks to be done, results to be achieved and/or the goods to be supplied

3.2 Mandatory Requirements

A mandatory requirement is a minimum standard that a proposal must meet in order to be considered for further evaluation.

Any mandatory requirements associated with the Statement of Work are clearly identified in Section 4 - Proposal Requirement.

The Mandatory Compliance Checklist is located at Appendix C (7.3).

3.3 Statement of Work

Qualified proponents will be licensed to sell real estate in the Province of Ontario, established in the business of real estate marketing and sales and be a member in good standing of the Multiple Listing Service® with access to the MLS®, where available.

The proponents can anticipate that properties marketed will be dispersed throughout The Province of Ontario. CMHC does not guarantee a minimum or maximum number of units that will be marketed as volumes are subject to fluctuations (Refer to Appendix A - Regional Volumes and Average Sales Price 2013).

The proponent will be responsible for the takeover, servicing the property and marketing /sales of selected residential properties (1-4 units) in Ontario. Proponents are advised that the majority of the properties owned by CMHC are currently subject to listing agreements. As listings of unsold units expire and as additional units are acquired, they will be listed with the successful proponent of this RFP.

Currently there are fourteen marketing contracts and/or listing agreements in effect. The units currently being marketed under existing contracts and/or listing agreements will be excluded from this contract until their expiry. Upon expiry of the existing contract / listing agreement, any units not sold will be added to the single contract established through this RFP process.

The proponent will provide, at its expense, all those services normally provided to a valued client when listing vacant property on the Multiple Listing Service® including but not limited to the following:

Takeover

Upon notification from CMHC of a pending property acquisition from an Approved Lender, the successful proponent will:

- Obtain keys from the Lender's management company as directed by CMHC within three (3) business days of notification and proceed immediately to complete a CMHC Takeover Report form (supplied by CMHC) and return the completed form immediately upon completion of the inspection.
- Provide access to the unit promptly upon listing by mounting the appropriate lock box where permitted.
- Retain one set of keys at the Real Estate firm's office, along with photographs and provide CMHC with a set of keys.

Currently, property management firms are retained by various lenders to provide property management services on NHA insured loans, prior to take-over by CMHC. CMHC will not market the property until such time CMHC has clear and marketable title. To this end, the successful proponent can anticipate to provide property management services up to 60 days or until such time the approved lenders transfer to CMHC. In the event title is not acquired within the 60 day period, CMHC will pay the successful proponent a flat fee on a prorated basis as proposed by the proponent in Section 4.9 Pricing.

Marketing and Sales

Upon notification from CMHC that title has been received, the successful proponent will:

- Prepare a detailed *Comparative Market Analysis (CMA)* with photographs on each listing. All document related to the listing to be emailed to the designated CMHC representative. The CMA is to contain the following market information as a minimum:
 - a) a description of the property;
 - b) a comparative analysis of current and recently expired listings of comparable properties;
 - c) recent sales data of comparable properties;
 - d) the average days listed to sales;
 - e) trends to indicate a buyers, sellers or balanced market;
 - f) the listing history of the subject property; and
 - g) a recommendation for the listing and selling prices based on your analysis.
- Complete all aspects of *Listing Agreements* for signature by the designated CMHC representative. All listings are to be submitted to CMHC within 3 business days of notification and will be accompanied by a CMA.
- Provide 45 day status reports to CMHC. These reports must include advertising details; the number of showings, newly listed properties and recommendations for repairs or price reductions, if applicable.
- Prepare and/or submit all offers to the designated CMHC representative.

- Act as the sole liaison between CMHC and all selling Real Estate Firms and Real Estate Agents for all properties assigned.

Upon acceptance of an offer by CMHC, provide confirmation in writing of necessary requirements to complete the offer to purchase including but not limited to:

- a) confirm in writing the waiver of any conditions in the Offer to Purchase,
- b) provide contact information of the purchaser's solicitor,
- c) provide any further documentation or action to support the sale transaction and to ensure prompt closing,

Servicing The Property

The successful proponent will:

- Perform a minimum number of security checks (once per week October to April, twice per month May to September) including inspection of all windows and doors and checks of plumbing and heating systems including the oil tank if applicable.
- Perform additional checks of the property as requested by CMHC.
- Supply and install 60-watt light bulbs when burned out in all electrical fixtures.
- Perform lawn cutting services to ensure grass does not exceed 50 mm in height at any time. CMHC will pay for the first grass cut upon take over only if deemed necessary and neglected by the lender.
- Remove snow/ice to ensure that Municipal by-laws are respected at all times and regardless of applicable by-laws, that the depth does not exceed 10 mm, leaving a cleared width on the walkway of at least 60 cm from the street to the key box and as applicable, to the oil tank, ensuring that conditions are safe for persons entering the premises.

CMHC will pay for the first snow removal upon take over only if deemed necessary and neglected by the lender.

- Organize meetings/arrangements with representatives of utility companies or contractors at properties to facilitate meter readings and/or other services required.
- Perform winterizing / de-winterizing of plumbing and turn on the water as required,
- Perform well water test and shock wells.
- Recommend and Coordinate repairs authorized by CMHC, including obtaining competitive bids as required.
- Perform inspections after completion of work/repairs.

- Ensure property is kept secure and clean and presentable at all times. Cleaning and other costs are to be approved in advance by CMHC.

The majority of properties included in this contract will be vacant. For properties that are tenant occupied, the proponent will be responsible for managing access to the property in accordance with the Residential Tenancy Act in respect of tenants' right to privacy.

4 SECTION 4 PROPOSAL REQUIREMENTS

4.1 Overview of Section 4

Proposal responses are to be organized and submitted in accordance with the instructions in this section. Responses should be organized into the following Response Item sections.

Response Item

- 4.2 Mandatory Proposal Requirements
- 4.3 Covering Letter
- 4.4 Table of Contents
- 4.5 Executive Summary
- 4.6 Proponent's Qualifications
- 4.7 Response to Statement of Work
- 4.8 Financial Information
- 4.9 Pricing Proposal

Elaborate or unnecessarily voluminous proposals are not desired. Proponents are encouraged to take care in completely answering questions and proposal requirements and to avoid submitting extraneous materials that do not show how the proponent intends to meet requirements.

Requirements for each Response Item are detailed below.

4.2 Mandatory Proposal Requirements

Certain requirements in section 4 are identified as mandatory. See Section 1.6 Mandatory Requirements.

4.3 Covering Letter

A covering letter on the proponent's letterhead shall be submitted and include the following:

- (a) A description of the company or joint venture/consortium.
- (b) The names of the principals.
- (c) The primary contact person with respect to this RFP: the individual's name, address, contact numbers by phone and fax, and contact e-mail address, if available.
- (d) The locations of primary and all other offices that would be servicing the contract.

4.4 Table of Contents

The proponent shall include a table of contents using the response item headings and numbering system identified in this section of the RFP. The response should be paginated for easy referencing by the evaluation committee.

4.5 Executive Summary

The proponent's proposal should include an executive summary highlighting the following:

- (a) A summary of the proponent's proposal, including key features of the proposal, features that make the proposal superior, innovations or cost-saving opportunities.
- (b) A brief statement of the proponent's qualifications to meet the need of CMHC.

4.6 Proponent's Qualifications

Mandatory

The successful proponent must be licensed to sell real estate in the Province of Ontario, or be established in the business of real estate marketing and sales in the Province of Ontario as of the date of this RFP, be a member in good standing of the Multiple Listing Service (MLS) with access to the MLS data (where MLS is available) or have the ability to market and sell Real Estate in The Province of Ontario.

The proponent's proposal must include information about the proponent's qualifications as follows:

- (a) A description of the proponent's firm, its organization, number of full-time employees and product specialization (residential or commercial real estate). Also to include members of their team, Property Management firms and sub contractors that the proponents will be using throughout the term of the Agreement. All employees, members of their team, Property Management firms and sub contractors must meet the Insurance requirements as outlined in the attached draft Agreement (Contract).
- (b) Proponents must provide evidence in their proposal that they have a strong track record and history of sales and marketing activity. Proponents must include a description of their previous and current experience and background in the real estate industry, and specific record of their MLS statistics for last year and the current year to date listings and sales,
- (c) Details of recent sales experience (Appendix "B" , must be included with proposal)

4.7 Response to Statement of Work

Mandatory

In this section, the proponent should provide detailed information relative to the specifications listed in Section 3, The Statement of Work.

Comparative Market Analysis

Proponents must submit a sample Comparative Market Analysis (CMA) in accordance with the requirements listed in Section 3, Statement of Work. It may be a copy of a CMA you completed recently or you may complete one specifically for response to this RFP. The property does not need to be owned by CMHC.

Cooperative Listing Arrangements

The proponent must include a plan for listing and servicing properties located outside the community in which its office is located. In situations where CMHC properties are outside a 100 km radius or where distance makes it logistically difficult or not feasible for the Real Estate firm to service a listing, CMHC expects the Real Estate firm to arrange a cooperative listing

agreement with licensed Real Estate professionals in communities in close proximity where the property is located. Cooperative Listing Real Estate professionals can be with affiliate offices and / or partnership arrangements or other arrangements as indicated by the proponent.

Marketing Plan

Proponents must provide a detailed Marketing Plan for marketing properties, including;

- (a) specific details of all marketing tools and methods to be utilized including but not limited to internet access, signage, advertising (should include but not be limited to frequency, cost, all facets of media to be used, etc.), incentives, "open houses", collecting and reporting of statistics such as traffic counts and market activity,
- (b) details as to how the proponent will service listings throughout the area. ((Listings under this contract will be dispersed throughout The Province of Ontario).
- (c) The Proponent must outline how CMHC properties will be promoted to other real estate firms and sales people,
- (d) proponents must market all properties through the MLS (with the exceptions of areas that do not have access to MLS). Please indicate in your proposal how you will accommodate this marketing requirement in MLS and non-MLS® areas,
- (e) proponents must detail their staffing, financial and other resources available to meet the work requirements to carry out the proposed marketing plan,
- (f) proponent's should provide details of any additional benefits or value added features that are being offered, i.e. special legal or financing packages.

Servicing the Property

The proponents must provide details of their action plan to service the property as described in detail in the Statement of Work Section 3.0. Proponents must detail their staffing, financial and other resources available to meet the work requirements to carry out the proposed plan.

If the property servicing function includes partnering with a property management company (refer to Section 2.19), proponents must provide the name of principals providing the services, the details of previous experience (length of time and types of contracts held) and background on this company. All partnerships must meet the insurance requires as outlined in the draft Agreement (contract). It is critical that Proponents include information as to how service will be provided to properties located throughout the area.

4.8 Financial Information

Mandatory

4.8.1 Credit Check

Sole proprietorships and partnerships must provide a statement contained within their proposal giving written permission for CMHC to perform a credit check as required.

4.8.2 Financial Capacity

CMHC reserves the right to conduct an assessment of the Lead Proponent(s) financial capacity. Should the proponent be selected as the lead proponent following the RFP evaluation process, CMHC will request the necessary financial statements to confirm the financial capacity of the

proponent. At that time, the Lead Proponent(s) must provide to CMHC the following information, as appropriate upon 72 hours of CMHC's request:

Note: Failure to comply with the Financial Information submission requirements as indicated above and within this section, will result in disqualification of the Lead Proponent(s) at which time no further consideration will be provided to the respective submission(s).

Partnerships, Corporations, Joint Ventures and Consortiums:

CMHC requires the provision of the financial statements for the analysis of financial capacity. You must provide a complete set of signed, detailed, audited financial statements for each of the last three (3) years of your firm. You must agree to provide any other financial information that CMHC may subsequently request. The auditor's report must be signed by an appropriate officer of the audit firm. In the case that your financial statements are not audited, CMHC will only accept them if they are accompanied by a signed review engagement report for each year. A complete set of financial statements consists of all the following items:

1. Auditor's Report (or Review Engagement Report),
2. Balance Sheet,
3. Income Statement,
4. Cash Flow Statement,
5. The Notes to the Financial Statements, and

In the case of a joint venture or consortium, each and all members of the joint venture or consortium must provide the information required for their legal form as indicated above for partnerships or corporations. For partnerships of individuals (as opposed to partnerships of corporations), each individual must provide written permission for CMHC to perform a credit check on them as individuals.

4.9 Pricing Proposal

Mandatory

Proponents must outline the commission rate to be charged, including the split between the selling, co-listing agent and listing commission rates (commissions must be expressed in percentage terms).

Minimum commission payable to the selling real estate sales person must be at least 3.0%.

Where co-listing arrangements are included in the marketing plan, the proponent MUST indicate the split in the listing commission between the proponent and the co-lister.

The commission rate is to include all items detailed in the Statement of Work in Section 3.

Details of Sales Commission:

- a) Payable to Selling Agent: ____% (must be a minimum of **3.0%**)

- b) Payable to Listing Agent: _____%
- c) Payable to Cooperative Listing Agent _____%
- d) Total Commission Payable: _____%

To ensure that the commission quoted never results in a fee that is too low, CMHC will pay a minimum commission of \$1,500 (split between listing and selling agents to be in the same proportion as in Details of Commission above) for sales of properties with values that do not generate a total commission of at least \$1,500.

Prorated commissions or commissions not expressed in percentages will be rejected. The commission quoted must apply to all sales in the entire portfolio except for those sales where CMHC pays a minimum commission of \$1,500, due to the low sales price of the unit.

Property Management

CMHC is unable to market a property until such time title the approved lender transfers title to CMHC. To this end, the successful proponent can anticipate to provide property management services for a period up to 60 days. Cost related to these services as outlined in section 3 Statement of Work, should be reflective in the above noted commission rate subject to the following:

- (A) In the event, title is not acquired within the 60 day period CMHC will pay the successful proponent a flat fee on a daily basis for property management services in excess of the 60 day period.
- (B) CMHC may at its own discretion chose not to market certain properties. However, CMHC will require property management services and will pay the successful proponent a flat fee on a daily basis for property management for this period. The flat fee on a daily basis as mentioned above should be reflective of services as outlined in Section 3 Statement of Work. The proposed daily fee will be used in the ranking process.

Daily flat fee for take-over (A and B): \$ _____

Proposals containing more than one pricing structure **will be rejected** and not considered further in the evaluation process.

All prices and amounts of money in the proposal are to be quoted in Canadian dollars and be exclusive of the harmonized Sales Tax (HST), and Provincial Sales Tax (PST), as applicable, unless otherwise indicated.

The HST or PST, whichever is applicable, shall be extra to the price quoted by the Proponent and will be paid by CMHC.

5 SECTION 5 EVALUATION AND SELECTION

5.1 Overview of Section 5

Section 5 describes the process CMHC will use to evaluate proposals, select a lead proponent and finalize and sign a contract.

The lowest cost or any proposal will not necessarily be accepted and CMHC reserves the right to accept or reject any or all proposals in whole or in part.

CMHC reserves the right to alter the stated requirements as needs require and to accept an alternate proposal included in any proponent's response.

CMHC shall conduct the RFP process in a visibly fair manner and will treat all proponents equitably. To this end, it has established objective RFP standards and evaluation criteria which will be applied uniformly to all proponents. Therefore, no proponent shall have any cause of action against CMHC arising out of a failure to award a contract, the failure to evaluate any proposal, or the methods by which proposals are assessed.

5.2 Limitation of Damages

The proponent, by submitting a proposal, agrees that it will not claim damages in excess of an amount equivalent to the reasonable costs incurred by the proponent in preparing its proposal for matters relating to the agreement or in respect of the competitive process, and the proponent, by submitting a proposal, waives any claim for loss of profits if no agreement is made with the proponent.

5.3 Evaluation Table

The Evaluation Table as provided in Appendix "E" lists all the criteria upon which each proposal will be evaluated. The criteria are based on the requirements as provided in this RFP.

5.4 Evaluation Methodology

Each proposal will be examined to determine compliance with each mandatory requirement identified in this RFP. A proposal must comply with all of the mandatory requirements in order to proceed in the evaluation process. A proposal which is deemed by CMHC to be non-compliant in one or more mandatory requirements will be eliminated from further consideration. A proposal which meets all the mandatory requirements will be deemed compliant and will proceed in the evaluation process.

Each compliant proposal shall be individually evaluated by each member of the Evaluation Committee, made up of qualified personnel. Evaluators shall evaluate and numerically score each proposal in accordance with the evaluation criteria as shown in the Evaluation Table, Appendix "E". Once individual evaluations are complete, the Evaluation Committee will discuss and agree upon a final score for each proposal. Proposals meeting or exceeding the overall upset score of

750/1000 possible marks will be shortlisted. All shortlisted proposals will then be evaluated on price, where the proponent with the lowest price shall be named the lead proponent.

A proposal must meet the minimum upset score in each category (as shown on the Evaluation Table) to remain in the evaluation.

5.5 Financial Evaluation

CMHC will carry out a credit check and/or a financial capacity on the lead proponent before beginning contract discussions. This is a pass/fail test. Pass means that contract discussions begin. Fail means that the lead proponent may not enter into contract discussions and is disqualified from further consideration. The financial evaluation will be based on the information supplied by the proponent as per Section 4.9 of this RFP.

5.6 Proponent Selection

Acceptance of a proposal does not oblige CMHC to incorporate any or all of the accepted proposal into a contractual agreement, but rather demonstrates a willingness on the part of CMHC to enter into negotiations for the purpose of arriving at a satisfactory contractual arrangement with one or more parties.

Without changing the intent of this RFP or the lead proponent's proposal, CMHC will enter into discussions with the lead proponent for the purpose of finalizing the contract. If at any time CMHC decides that the lead proponent cannot satisfy CMHC's requirements, CMHC may terminate negotiations. If at this time CMHC feels that the secondary proponent may meet the requirements, CMHC will continue the process with the secondary proponent and so on.

Announcement of the successful proponent will be made to all proponents following the signing of a contract.

6 SECTION 6 PROPOSED CONTRACT

6.1 Overview of Section 6

Attached in Section 6.3 is a proposed contract. The terms and conditions in this draft contract may be incorporated into any contract resulting from this RFP. CMHC reserves the right to add terms and conditions during negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

The proponent's proposal and all associated correspondence from the proponent, where relevant, shall to the extent desired by CMHC form part of the final contract and the proponent must accept that the final contract form will be in a format acceptable to CMHC.

Submission of a proposal constitutes acknowledgement that the proponent has read and, unless otherwise stated in the proponent's proposal (including a declaration in the attached draft contract of any potential conflicts of interest), agrees to be bound by the terms and conditions in the draft contract in Section 6.3 in the event that the proponent is selected by CMHC to enter into a contract agreement.

For the purposes of this section the term "Contractor" refers to the successful proponent with whom CMHC enters into a contract agreement.

6.2 Mandatory Contract Terms and Conditions

The terms, conditions or sections of the draft contract in Section 6.3 that are labelled mandatory must be accepted by the proponent without alteration.

6.3 Proposed Contract

The attached proposed contract forms Section 6.3 of this RFP.

3 Draft Agreement

THIS AGREEMENT made in duplicate as of the day of 2015 to market Selected Units in the Province of Ontario.

BETWEEN:

CANADA MORTGAGE AND HOUSING CORPORATION, a Crown Corporation Incorporated by an Act of Parliament and having its head office in the city of Ottawa, in the Province of Ontario

(Hereinafter called "CMHC")

OF THE FIRST PART

- and -

(Hereinafter called "The Firm")

OF THE SECOND PART

WITNESSETH THAT:

WHEREAS CMHC is the owner from time to time of certain units and their appurtenant interest in the common elements according to registered condominium declaration, a number of single houses and mobile homes and whereas CMHC will select certain of these units for listing under this Agreement (hereinafter referred to collectively as the "Selected Units"), said Selected Units being set out herein, together with their proposed individual sale prices in Schedule "A" attached hereto which may be modified from time to time. CMHC reserves the right, to exclude from this Agreement any units it acquires from time to time.

AND WHEREAS CMHC issued a Request for Proposal document ("Proposal Document") inviting individuals to bid for the work contemplated by this Agreement and The Firm was the successful proponent;

AND WHEREAS it is the intention of CMHC that The Firm shall market, manage these Selected Units for and on behalf of CMHC and as the listing Firm of CMHC, subject to the terms and conditions and specifications hereinafter set forth;

AND WHEREAS The Firm has agreed to perform certain management functions on behalf of CMHC for the Selected Units;

NOW THEREFORE in consideration of the mutual covenants hereinafter contained the sum of \$1.00 now paid by The Firm to CMHC, the receipt and sufficiency whereof is hereby acknowledged, it is agreed by and between CMHC and The Firm as follows:

1. **APPOINTMENT**

- (a) CMHC hereby appoints The Firm to market the Selected Units according to the terms and conditions as contained herein. Subject to the terms of this Agreement, and without limitation, Paragraphs 1(c) and (d), below, CMHC shall enter into a Listing Agreement with The Firm for each Selected Unit, which it wishes to have marketed by The Firm. It is understood that The Firm shall not be entitled to sell any of the Selected Units until there is a Listing Agreement in place for the individual unit. The parties hereto acknowledge that if there is any conflict between the provisions of the listing agreement and this Agreement, the terms and conditions of this Agreement shall prevail;
- (b) The Firm acknowledges that CMHC reserves the right to hire another firm to list certain units it may acquire from time to time and that not all units in which CMHC acquires an interest will be included in this Agreement.
- (c) The Firm shall act as an independent contractor for the purposes of this Agreement. It and its employees, officers and agents are not engaged as employees of CMHC. The Firm agrees to so advise its employees, officers, and agents as applicable. Without limiting the generality of the foregoing, The Firm shall retain complete control of and accountability for its employees and agents. The Firm shall prepare and process the payroll for its employees directly, and shall withhold and/or pay all applicable employment taxes and payroll deductions required in respect of its employees. All personnel shall, at all times, and for all purposes, be solely in the employment of The Firm.
- (d) The proponent will be responsible for the takeover, servicing the property and marketing /sales of selected residential properties located in The Province of Ontario including the area serviced by the local Real Estate Boards as well as remote communities outside of Board areas. The proponent will provide, at their expense all those services normally provided to a valued client when listing property on the Multiple Listing Service® including but not limited to the following:

Takeover

- 1. Upon notification from CMHC of a pending property acquisition from an Approved Lender, obtain keys from the Lender's management company as directed by CMHC within three (3) business days of notification and proceed immediately to complete a CMHC Takeover Report form (supplied by CMHC) and return the completed form immediately upon completion of the inspection. Provide access to the unit promptly upon listing by mounting the appropriate lock box where permitted. Retain one set of keys at the

Real Estate firm's office, along with photographs and provide CMHC with a set of keys.

2. Currently, property management firms are retained by various lenders to provide property management services on NHA insured loans, prior to take-over by CMHC. CMHC will not market the property until such time CMHC has clear and marketable title. To this end, the successful proponent can anticipate to provide property management services for a period of 30 – 60 days or until such time the approved lender transfers title to CMHC.

Marketing and Sales

1. Upon notification from CMHC that title has been received, prepare a detailed *Comparative Market Analysis* (CMA) with photographs on each listing. All document related to the listing to be emailed to the designated CMHC representative. The CMA is to contain the following market information as a minimum:
 - a) a description of the property;
 - b) a comparative analysis of current and recently expired listings of comparable properties;
 - c) recent sales data of comparable properties;
 - d) the average days listed to sales;
 - e) trends to indicate a buyers, sellers or balanced market;
 - f) the listing history of the subject property; and
 - g) a recommendation for the listing and selling prices based on your analysis.
2. Complete all aspects of Listing Agreements for signature by the designated CMHC representative. All listings are to be submitted to CMHC within 3 days of notification and will be accompanied by a CMA.
 - a) **All properties must be listed on the MLS by a licensed Realtor**
3. Provide 45 day status reports to CMHC. These reports must include advertising details; the number of showings, newly listed properties, and recommendations for repair or price reduction if applicable.
4. Prepare and/or submit all offers to the designated CMHC representative. Act as the sole liaison between CMHC and all selling Real Estate Firms and Real Estate Agents for all properties assigned.

5. Upon acceptance of an offer by CMHC, provide confirmation in writing of necessary requirements to complete the offer to purchase including but not limited to:
 - a) Confirm in writing the waiver of any conditions in the Offer to Purchase.
 - b) Provide contact information for the purchaser's solicitor.
 - c) Provide any further documentation or action to support the sale transaction and ensure prompt closing, including, when requested by CMHC.

Servicing the Property

- ◆ Perform a minimum number of security checks (once per week October to April, twice per month May to September) including inspection of all windows and doors and checks of plumbing and heating systems including the oil tank if applicable.
- ◆ Perform additional checks of the property as requested by CMHC.
- ◆ Supply and install 60-watt light bulbs when burned out in all electrical fixtures.
- ◆ Perform lawn cutting services to ensure grass does not exceed 50 mm in height at any time.
- ◆ CMHC will pay for the first grass cut upon take over only if deemed necessary and neglected by the lender.
- ◆ Remove snow/ice to ensure that Municipal by-laws are respected at all times and regardless of applicable by-laws, that the depth does not exceed 10 mm, leaving a cleared width on the walkway of at least 60 cm from the street to the key box and as applicable, to the oil tank, ensuring that conditions are safe for persons entering the premises.
- ◆ CMHC will pay for the first snow removal upon take over only if deemed necessary and neglected by the lender.
- ◆ Organize meetings/arrangements with representatives of utility companies or contractors at properties to facilitate meter readings and/or other services required.
- ◆ Perform winterizing / de-winterizing of plumbing as required.
- ◆ Perform well water test and shock wells.

- ◆ Recommend and Coordinate repairs authorized by CMHC, including obtaining competitive bids as required.
- ◆ Perform inspections after completion of work/repairs.
- ◆ Ensure property is kept secure and clean and presentable at all times. Cleaning and other costs are to be approved in advance by CMHC.
- ◆ The majority of properties included in this contract will be vacant. For properties that are tenant occupied, the proponent will be responsible for managing access to the property in accordance with the Residential Tenancy Act in respect of tenants' right to privacy.

2. **TERM**

- (a) The appointment outlined in Paragraph 1, above, shall be for the term of one year (the "Term"), which shall commence from the date of this Agreement, unless terminated earlier by one or both of the parties and at CMHC's sole discretion may be renewed for a second one-year term.
- (b) It is agreed that initial Listing Agreements will be for a period of 90 days.

3. **ACCEPTANCE OF APPOINTMENT**

The Firm accepts the appointment by CMHC and agrees to use due diligence in marketing of the Selected Units for the Term in accordance with the terms and conditions herein provided, and agrees to furnish the services of its organization for the selling and maintaining of all of the Selected Units as outlined herein.

4. **WARRANTY**

- (a) The Firm warrants that it is familiar with all laws associated with the purchase, sale, listing, and The Firm associated with the Selected Units including, without limitation, any condominium or like legislation. The Firm also has a thorough working knowledge of all applicable codes of ethics by which it is governed. The Firm represents and warrants that as at the date of this Agreement and during the Term of this Agreement it is duly registered, licensed, and authorized by law to conduct all the activities contemplated by this Agreement and it shall, during the Term of this Agreement, conduct its activities according to any laws which govern The Firm or its activities pursuant to this Agreement or otherwise.
- (b) CMHC warrants that it is the owner of the Selected Units and as such has the right to sell the Selected Units.

5. **INDEMNIFICATION AND INSURANCE**

(a) Indemnification

The Firm agrees to indemnify and save harmless the Corporation and its officers, directors, agents and employees for all loss, damages, costs, expenses, claims, demands, actions, suits, fines, penalties or other proceedings of every nature and kind arising from or in consequence of the performance of this agreement, provided such loss, damages, costs, expenses, claims, demands, actions, suits, fines, penalties or proceedings arise without negligence on the part of CMHC of its officers or employees, and whether such actions, suits or proceedings are brought in the name of CMHC or in the name of The Firm.

(b) Commercial General Liability Insurance

The Firm will provide and maintain Commercial General Liability insurance with an insurer licensed to do business in Canada with a limit of not less than \$5,000,000 per occurrence for bodily injury or damage to property including loss of use of such property. This policy shall include the following extensions:

- cross Liability including severability of interest
- personal Injury
- broad form completed operations
- blanket contractual
- employers liability (or confirmation that all employees including sub-contractors and independent contractors are covered by Workers Compensation)
- non Owned automobile liability
- Canada Mortgage and Housing Corporation to be added as additional insured.
- 30 days prior written notice of cancellation to Risk Management Consultant, 700 Montréal Road, Ottawa, Ontario K1A 0P7
- contractors liability to include operations of independent contractors (if not provided then each subcontractor must provide a certificate of insurance confirming that they have liability insurance as detailed in the RFP)

c) Professional (Errors & Omissions) Liability

The Firm will provide and maintain Professional Liability insurance with an insurer licensed to do business in Canada with a limit of not less than \$1,000,000. The policy will provide 30 days prior written notice of cancellation to Risk Management Consultant, 700 Montréal Road, Ottawa,

Ontario K1A 0P7 Coverage is to include Firm and the firms employees and contract employees (if applicable) as insured. The Firm shall ensure that the policy is renewed continuously for a minimum period of two (2) years following the expiration or early termination of this Agreement.

d) Automobile Insurance (if applicable)

The Firm will provide and maintain Automobile Insurance with an insurer licensed to do business in Canada with limits of not less than \$2,000,000. Third Party Liability for all motor vehicles used by the Proponent in the performance of this Contract.

Other conditions

If there are material changes in the scope of Services provided under this Agreement, CMHC may, via the Service Level Change Procedures, request changes to the minimum insurance coverage's set out above.

All insurance policies required to be maintained by Firm shall be primary with respect to this Agreement and any valid and collectible insurance of CMHC shall be excess of the Firm's insurance and shall not contribute to it.

All Certificate of Insurance shall mention that insurers will provide CMHC with at least thirty (30) days' written notice prior to cancellation of any insurance. In addition the Firm shall provide written notice to CMHC forthwith upon learning that an insurer intends to cancel, or intends to make or has made a material change to, any insurance. A Certificate of Insurance meeting the above requirements shall be delivered to CMHC upon execution of this Agreement and for each renewal thereafter.

Without in any way restricting CMHC's discretion to grant or withhold its consent to a request to subcontract, the Firm agrees that it shall contractually obligate any subcontractor or independent contractor retained in connection with this Agreement to maintain insurance against such risks and in such amounts that having regard to such subcontractor's or independent contractor's involvement in the provision of the Services could reasonably be expected to be carried by Persons acting prudently and in a similar business to that of such subcontractor or independent contractor.

The Firm shall be fully responsible to CMHC for the acts and omissions (including negligence) of its subcontractors and of persons directly or indirectly engaged by such subcontractors as if such acts and omissions were those of the Firm.

It shall be the sole responsibility of the Firm to decide whether or not any other insurance coverage, in addition to the insurance requirements stipulated herein, is necessary for its own protection or to fulfill its obligation under the contract. All insurance policies shall be provided and maintained by the Firm at its own expense.

6. DUTIES OF THE FIRM

Subject in all respects to the overall control and instructions of CMHC from time to time, The Firm shall, in the performance of its duties hereunder, be responsible for the execution of all aspects of this Agreement including the Listing Agreements and without limiting the generality of the foregoing shall:

- (a) arrange for prompt execution of the Marketing Plan detailed in the Proposal Document and fulfill all other obligations as outlined in the Proposal Document;
- (b) notify CMHC immediately of any claims of which The Firm is aware or receives notice in writing there for by or against CMHC relating to the Units and to inform CMHC of any material change in risk of which The Firm is aware or has received notices in writing thereof respecting the use and occupation of the Units;
- (c) allow the CMHC's internal and external auditors the right to examine, at any reasonable time, any and all records relating to the services provided. The Firm agrees to provide CMHC's internal or external auditors with sufficient original documents in order to conduct any audit procedures. The Firm shall make available to the representative of CMHC upon request at all times all records, including invoices, vouchers, contracts, relating to the selling of the Units and provide a Certificate of Insurance confirming compliance with insurance/indemnification requirements identified in clause 5;
- (d) provide to any purchaser or prospective purchaser copies of any and all documentation, and other information which may be required to be given to any such purchaser in order that the sales agreement shall, upon execution thereof be binding upon such purchaser. Upon presentation of an acceptable invoice, CMHC shall reimburse the Firm for any costs related to the production of condominium documentation required for sale closing.
- (e) provide trained and qualified personnel for the carrying out of the Marketing Plan at the expense of The Firm;
- (f) ensure that each salesperson in The Firm's organization that is to be involved in selling the Selected Units is familiar with all documentation and instructions CMHC may furnish from time to time;
- (g) submit all offers to purchase to CMHC for approval and execution immediately upon receipt, weekends and holidays excepted. The offer to purchase shall be in a form approved by CMHC and shall be irrevocable by the purchaser and provide for sufficient time (not to exceed seven (7) days) for the acceptance of the contract by CMHC. CMHC hereby

reserves the right, in its sole discretion, to reject any and all offers for any reason it deems necessary;

(h) perform all the duties outlined in Paragraph 1(d), in a diligent manner consistent with a prudent owner for similar units.

(i) include a plan for listing located outside the community in which its office is located. In situations where distances make it logistically difficult or not feasible for the Real Estate firm to service the listing, CMHC expects the Real Estate firm to arrange a cooperative listing agreement with licensed Real Estate professional in communities in close proximity to where the property is located. Cooperative Listing Real Estate professional can be with affiliate offices and / or partnership agreements or other arrangements as indicated by the proponent.

7. SALES COMMISSION

(a) Subject to the terms of this paragraph 7, CMHC agrees to pay The Firm a commission, payable as follows:

Details of Sales Commission:

Payable to Selling Agent: ____% (must be a minimum of 3.0%)

Payable to Listing Agent: ____%

Payable to Cooperative Listing Agent ____%

Total Commission Payable: ____%

The commission rate is to include all items detailed in

Section 1 - Appointment in this Agreement

In the event, title is not acquired within the 60 day period, CMHC will pay the successful proponent the proposed flat fee on a daily basis for property management services as outlined in Section 3 Statement of Work, for properties in excess of 60 days.

In addition to these properties, CMHC may at its discretion choose not to market certain properties. However, CMHC will required property management services and will pay the successful proponent a management fee for this period.

Property management fee in excess of 60 days, to be prorated based on the number of days the property is being managed and not marketed during the respective month

\$ _____/ day

upon the completion of the closing of a particular Selected Unit provided that the closing occurs within the time frames and as specified in the Listing Agreement for the particular Selected Unit; or within the time frame as agreed to by all parties in an accepted agreement of purchase and sale or any amendments forming part of such purchase and sale agreement and signed by all parties.

(b) Notwithstanding Paragraph 7 (a), above, it is understood and agreed that no commission shall be payable under any of the following conditions:

(i) if prior to closing, the prospective purchaser fails to perform and the sales contract is terminated by CMHC;

(ii) if, without just cause, the prospective purchaser of a Selected Unit refuses to close the sale transaction and CMHC refuses to release the prospective purchaser and decides to pursue the legal remedies available to CMHC against the prospective purchaser.

(iii) if sale of a Selected Unit is not completed according to the terms and conditions as herein or as otherwise provided in the Listing Agreement for the applicable Selected Unit, then CMHC will not be responsible to pay The Firm any commission whatsoever.

(c) CMHC will pay a minimum commission of \$1,500 (split between listing and selling agents to be in the same proportion as in Section 7(a) Details of Commission above) for sales of properties with values that do not generate a total commission of at least \$1500.

(d) Full sale proceeds must be received by CMHC prior to release of any commission whatsoever.

8. **CMHC DESIGNATED OFFICERS AND REPRESENTATIVES**

CMHC shall advise The Firm in writing from time to time as required of the names of those officers and other representatives who are authorized by CMHC to access or conduct work to or upon any of the Selected Units.

9. **CO-OPERATION**

CMHC and The Firm shall at all times keep each other informed of all matters related to the sales of the Selected Units and they shall meet together regularly and discuss from time to time all such matters and determine the general policy in respect of such sales activity including renovations, improvements, expenses and all other matters related to the overall marketing of the Selected Units.

10. **TERMINATION**

(a) This Agreement may be terminated with or without cause by either party on the giving of thirty (30) days notice in writing to the other party. In the event of such termination without cause, any of the Listing Agreements executed by CMHC and The Firm which have not expired shall be immediately terminated, unless The Firm is advised in writing by CMHC that the Listing Agreement shall remain in full force and effect. The Firm shall be entitled to no commissions whatsoever for any Selected Units which do not have an accepted agreement of purchase and sale in place prior to the date of termination. In the event that this Agreement is terminated by The Firm, CMHC shall have no further obligation to pay commission to The Firm upon the sale of the Selected Units subject to terminated Listing Agreements. In all other respects this Agreement shall be deemed to be terminated;

(b) Upon termination, The Firm shall surrender to CMHC all contracts, loan applications, records, files and other documents or information which may be pertinent to the continuing operation and marketing of the Selected Units (excepting only those Selected Units which remain listed pursuant to the Listing Agreement which are still in effect), and relinquish all interest in MILS listings of CMHC Selected Units active at the time of termination, if required by CMHC;

(c) Subject to Paragraph 1(a), CMHC may, at its discretion, assume all or some obligations of any and all contracts which The Firm has made for the purpose of arranging the management services outlined in Paragraph 1(d), above, to be provided pursuant to this Agreement.

11. NOTICES

Any notices and other communications required to be sent hereunder to either party shall be addressed to The Firm as follows:

and to CMHC as follows:

Regional Manager
Default Management and Real Estate
Ontario Business Centre
100 Sheppard Ave. E
Suite 300,
Toronto, ON M2N 6Z1

or to such other address as either party shall notify the other. Any such notice shall be conclusively deemed to have been given and received at the same time of its personal delivery by one party to officer or director of the other or, in the event of service by mail, on the second business day after the day of such mailing. Either party may by notice in writing to the other designate another address to which notices mailed more than ten (10) days after the giving of such notice of change of address shall be addressed.

12. CONTINUING OBLIGATIONS

The obligation upon The Firm to account shall survive the termination of this Agreement for whatsoever reason.

13. FURTHER ASSISTANCE

Each of the parties hereto shall do all acts, matters and things as may be requisite and necessary in order to give full force and effect to and duly carry out the provisions of this Agreement.

14. HOUSE OF COMMONS

No member of the House of Commons shall be admitted to any share or part of this Agreement or any benefit which arises therefrom.

15. CONFIDENTIALITY

The Firm and its employees and agents will treat as confidential, during as well as after completion of the Term or earlier termination of this Agreement, all information relating to the affairs of CMHC of which it acquired knowledge as a result of its engagement hereunder. The Firm acknowledges that CMHC is subject to federal privacy legislation and agrees to take all necessary steps to comply with CMHC's obligations arising therefrom.

16. CONFLICT OF INTEREST

The proponent, the company, the registered principals and officers, and employees of the company are to declare any potential conflict of interest between themselves or their employees and CMHC or its employees.

Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders (2003) in order to derive a direct benefit from any contract, which may arise from this request for proposal.

17. CORPORATION IDENTIFICATION

It is agreed that The Firm will make no use whatsoever of CMHC's name, logo or initials without the express written consent of CMHC.

18. SUCCESSORS AND ASSIGNS

This Agreement is personal to The Firm and may not be assigned, in whole or in part by The Firm without the prior written consent of CMHC which may be arbitrarily withheld in the sole discretion of CMHC.

This Agreement shall endure to the benefit of and be binding upon the parties hereto, permitted assigns.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement

**SIGNED SEALED AND
DELIVERED
in the presence of:**

Witness: _____

Per: _____
Owner or Manager of Real Estate Firm

CANADA MORTGAGE AND HOUSING CORPORATION

Witness: _____

Per: _____
**Regional Manager, Default
Management and Real Estate**

SECTION 7 APPENDICES

7.1 APPENDIX A

2013 SALES - REGIONAL AREAS				
	OREA District	Sales	Small/Rural (Pop < 10,000)	Average Selling Price
Stormont, Dundas & Glengarry	Cornwall	5	3	66,800
Prescott and Russell	Cornwall	6	3	114,500
Ottawa	Ottawa	2	0	55,250
Leeds Grenville	Rideau St. Lawrence	15	11	107,773
Frontenac	Kingston	4	3	93,825
Renfrew	Renfrew Country	5	4	146,400
Lanark	Rideau St. Lawrence	6	6	100,650
Lennox & Addington	Kingston	2	1	75,500
Eastern		45	31	102,451
Hastings	Quinte	8	3	114,862
Prince Edward	Quinte	4	0	120,975
Northumberland	Northumberland Hills	11	3	116,727
Peterborough	Peterborough & the Kawarthas	4	2	158,650
Victoria	Kawartha Lakes	6	0	127,317
Simcoe	Southern G. Bay	13	2	121,954
Muskoka	Orillia	7	2	121,000
Parry Sound	Parry Sound	7	7	123,714
Northeastern		60	19	123,062
Durham	Durham	3	0	124,000
York	Toronto	1	0	265,000
Toronto	Toronto	17	0	195,076
Peel	Brampton-Mississauga	3	0	228,667
Dufferin	Orangeville	2	1	128,000
Central		26	1	188,281
Wellington	Guelph	2	1	268,200
Hamilton	Hamilton Burlington	4	0	129,400
Niagara	Niagara	14	0	85,214
Haldimand/Norfolk	Simcoe	7	0	111,879
Brant	Brantford	5	0	78,060
Waterloo	Kitchener Waterloo	2	0	158,500
Southern		34	1	109,925
Oxford	Woodstock Ingersoll	5	1	67,500
Elgin	London St Thomas	8	5	115,625

Chatham-Kent	Chatham Kent	8	0	51,738
Essex	Windsor Essex	14	0	67,743
Lambton	Sarnia Lambton	8	4	52,594
Middlesex	London St Thomas	10	4	98,863
Huron	Huron Perth	12	12	64,229
Bruce	Grey Bruce Owen Sound	9	5	164,200
Grey	Grey Bruce O.Sound	11	3	114,245
Western		85	34	88,699
Nipissing	North Bay	4	0	93,000
Sudbury	Sudbury	5	5	45,600
Temiskaming	Timmins	2	1	16,700
Cochrane	Timmins	9	7	51,444
Algoma	Sault Ste Marie	13	10	43,985
Thunder Bay	Thunder Bay	2	2	45,000
Atikokan	Thunder Bay	4	4	57,750
Kenora	Thunder Bay	4	4	49,475
Northern		43	33	50,863
	GRAND TOTAL	293	119	103,595

7.2 APPENDIX B

RECENT SALES EXPERIENCE

Mandatory

IF MORE THAN ONE AGENT WILL BE PROVIDING SERVICE UNDER THE CONTRACT, THE FOLLOWING INFORMATION SHOULD BE PROVIDED BASED ON AN AVERAGE OF ALL AGENTS (GROUP) WHO WILL BE RESPONSIBLE FOR THE ADMINISTRATION OF THIS CONTRACT.

Note: Group includes Broker of Record, Broker, Sales Representatives etc.

	Individual	Group
Number of members of your team		
Average number of years as a full time Real Estate Agent		
Sales 2013		
Sales 2014		

NOTE: The proponent must be prepared to provide MLS statistics for verification upon request from CMHC.

7.3 APPENDIX C

MANDATORY COMPLIANCE CHECKLIST

- | | | |
|--------------------------|---|---------------|
| <input type="checkbox"/> | All Non-Research Service Providers | Section 1.4.1 |
| <input type="checkbox"/> | Submission Deadline | Section 2.3 |
| <input type="checkbox"/> | Offering Period | Section 2.7 |
| <input type="checkbox"/> | Proponent's Qualifications | Section 4.6 |
| <input type="checkbox"/> | Response to Statement of Work <ul style="list-style-type: none">- Comparative Market Analysis- Cooperative Listing Agreement- Marketing Plan- Servicing the Property | Section 4.7 |
| <input type="checkbox"/> | Financial Information | Section 4.8 |
| <input type="checkbox"/> | Pricing Proposal | Section 4.9 |
| <input type="checkbox"/> | Recent Sales Experience | Appendix B |
| <input type="checkbox"/> | Certificate of Submission | Appendix D |

7.4 APPENDIX D

Certificate of Submission

Mandatory

_____ hereby: _____
Company Name procurement business number

- I. offers to provide services and/or products to CMHC, as described in this proposal, on and if, as and when required basis, all in accordance with the Request for Proposal;
- II. offers the terms as set out in this proposal, including any pricing proposal for a period of 60 days as specified in section 2 of the RFP;
- III. certifies that, at the time of submitting this bid, is in full compliance with all tax statutes administered by all provincial, territorial and federal Ministries of Finance and that, in particular, all returns required to be filed under all provincial and federal tax statutes have been filed, and all taxes due and payable under those statutes have been paid or satisfactory arrangements for their payment have been made and maintained;
- IV. represents and warrants that in submitting the proposal or performing the Contract, there is no actual or perceived conflict of interest;
- V. represents and warrants that in preparing the proposal, there was no actual or perceived unfair advantage due to the receipt of information regarding the RFP that was not made available to other proponents;
- VI. certifies that this proposal was independently arrived at, without collusion;
- VII. certifies that no gratuities or gifts in kind were offered to any CMHC employee, Board member or Governor-in-Council appointee; and intended, by the gratuity, to obtain a contract or favourable treatment under a contract;
- VIII. authorizes CMHC to conduct such investigation as it deems appropriate to verify the contents of the proposal;
- IX. certifies, unless explicitly outlined in the proposal, that all pricing information is based on service provision which, at a minimum, fully meets all of the existing service standards as outlined in the Statement of Work;
- X. agrees to comply with all of the section 6.0 contract MANDATORY clauses in an unaltered form as stated;
- XI. (for sole proprietorships and partnerships) provide permission herewith to CMHC to undertake credit checks on the individuals listed below (names, signatures and home addresses of each must be provided).
- XII. agrees that, in the event of acceptance of this proposal, it will enter Contract negotiations in accordance with the RFP, and upon entry into a Contract with CMHC, it will commit to providing the full scope of services identified in the Contract.
- XIII. agrees that all responses and related materials become the property of CMHC, will not be returned and CMHC will not reimburse the proponent for any work related to, travel or materials supplied in the preparation of the RFP response.
- XIV. agrees that it and any other persons for which it is responsible, who are to perform the work as stated in this RFP, at the request of CMHC will comply with security screening as deemed appropriate;

Signed this _____ day of _____, 2014 at _____, Canada.

Corporations are not required to provide a corporate seal. The signature of one witness is required for the signature of each Owner/Signing Authority.

Corporation/Individual:

Signature of Signing Authority

Name and Title of Signing Authority

Declaration: I have the authority to bind the company.

7.5 APPENDIX E
Evaluation Table

EVALUATION CRITERIA	A	B	C	D
	WEIGHT 100 Total	POINTS 1 to 10	UPSET SCORE	SCORE AxB
Proponent's Qualifications (4.6) The proposal will be evaluated on the full description of the firm, qualifications and experience of the assigned personnel. a) Description of Firm b) Proponent's Experience c) Listing and Sales Statistics	35			
Response to Statement of Work (4.7) The proponent must provide detailed information relative to the specifications listed in Section 3, The Statement of Work. Specific Elements being evaluated are: a) Competitive Market Analysis (CMA) b) Marketing Plan c) Cooperative Listing Arrangements d) Servicing The Property	65			
TOTAL	100		750	
Marketing & Property Management Pricing / Commissions - % Property Management: Daily Flat Fee			Payable to Selling Agent: ____% (must be a minimum of 3.0%) Payable to Listing Agent: ____% Payable to Co-listing Agent ____% Total Commission Payable: ____% \$ _____	

