

Request for Proposal
Real Estate Agent Services
Foreclosed Property Searches – Neighborhood Stabilization Program
Designated Counties – Campbell, Fremont, Laramie, Natrona, Sweetwater, or Uinta

Introduction

The purpose of this Request for Proposal (RFP) is to identify a real estate agent who has the most experience, capability and demonstrated success in identification and sale of foreclosed properties. This solicitation is competitive.

The Neighborhood Stabilization Program (NSP) funding comes from the \$3.92 billion Congress put towards the Community Development Block Grant Program (CDBG) for the Housing and Economic Recovery Act of 2008. Priority is given to areas that have the greatest percentage of foreclosures, subprime mortgages, or identified as likely to face a significant increase in rate of home foreclosures. The counties of Campbell, Fremont, Laramie, Natrona, Sweetwater, and Uinta are the only counties in Wyoming approved by HUD for this funding. Eligible uses of NSP funding established by law include:

- financing mechanisms for purchase and redevelopment of foreclosed upon homes and other foreclosed upon residential properties
- purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
- establishing land banks for homes that have been foreclosed upon,
- demolishing blighted structures, or
- redeveloping demolished or vacant properties for housing.

The State of Wyoming has applied for and been approved to receive \$19,600,000 from the Department of Housing and Urban Development (HUD).

Projects will follow CDBG Rules

The Community Development Block Grant Program (CDBG) is the governing program for NSP. However, NSP also makes reference to the Home Investment Partnerships Program (HOME). All activities undertaken must follow the environmental review requirements, Davis-Bacon wage rate regulations, minimum property standards, Fair Housing, etc.

Additional NSP rules have been added regarding the use of NSP funding. Any foreclosed property purchased or financed with NSP funding must be acquired from the lender/mortgage insurer/investor at a discount. The discount must be at least 15 percent off of the current appraised value. The property must also meet established property standards prior to the sale or rental to an income eligible household. The sales price or rent charged is also regulated.

Wyoming Acquisition and Rehabilitation Program (WARP)

WCDA will acquire and rehabilitate foreclosed properties which will be sold to low and moderate income eligible buyers via a drawing. At this time WCDA is issuing an RFP for real estate agent services to assist WCDA in the purchase of foreclosed properties for the WARP program.

The decision to purchase any property will be contingent upon environmental clearance, appraisal, purchase discount, clear title, and inspections. WCDA has the ability to purchase up to 65 foreclosed properties in the six eligible counties.

Property Selection Criteria

1. The property must be located in Campbell, Fremont, Laramie, Natrona, Sweetwater, or Uinta counties.
2. The property must be a residential foreclosure; short sales are not eligible.
3. The property must be on a permanent foundation; manufactured housing is not eligible.
4. The property must meet HUD's environmental review requirements and clearance must be obtained prior to closing.
 - a. The property cannot be located in a 100 year flood zone.
 - b. The property cannot be located in an airport clear zone.
 - c. If the property is located within 3000 feet of a railroad additional information regarding the train activity is required to determine if the property is eligible.
 - d. If the property is located within 1000 feet of a 4-lane road then additional information regarding the traffic activity is required to determine if the property is eligible.
 - e. The property cannot be located in a blast radius of a refinery or other hazardous operation.
 - f. It is preferred that the property not be located in a historic district, however, a property located in a historic district may be eligible if it does not require extensive exterior renovation.
 - g. The property must be zoned residential.
5. If the property was constructed prior to 1978, information regarding any previous lead paint testing is required.
6. The purchase price of the property must include a discount of at least 15 percent based on the current (within 60 days) appraised value. If a current appraisal is not available then an offer would be made contingent upon receipt of an appraisal and agreement regarding the price of the property.
7. The purchase price of the property plus the cost of all required rehabilitation must be less than or equal to \$200,000.
8. The property must be located within the city limits and lot size must be less than or equal to .5 acres.

9. The property may not utilize well or septic systems. If the property could reasonably be tied in to city utilities it may be eligible.
10. The property must be vacant.
11. WCDA-owned REO properties are not eligible for the WARP program at this time.

Agent Responsibilities

The Agent will provide the following services:

1. Locate appropriate foreclosed properties within the designated county.
2. Provide information on the property including, but not limited to: the listed price, the appraisal, if any, the anticipated discount, any known defects, and any environmental concerns.
3. The Agent may be required to arrange inspection and appraisal on a case by case basis.
4. If a property is approved for purchase, the Agent will continue to represent WCDA as the buyer's agent through the purchase of the property.
5. All properties must be purchased prior to June 30, 2010.

Proposal

Proposals are to include the following information:

1. The Agent must be a member of the National Association of Realtors. The Agent must have a current Wyoming Real Estate License as a salesman, associate broker, or broker. A copy of the Agent's license should be included. The Agent must be in good standing with the Wyoming Real Estate Commission and provide written proof from the Wyoming Real Estate Commission. WCDA employees and relatives of WCDA employees or the Board of Directors are not eligible.
2. Explanation of relevant experience in providing the requested services. The proposal must include at least one written letter of recommendation from a WCDA participating lender and one from a licensed Wyoming appraiser.
3. Identify the county for which you will be providing services.
4. Fee breakdown for the identification and successful negotiation of acceptable eligible foreclosed properties.
5. A brief narrative detailing the anticipated identification method of eligible properties.
6. Estimated number of properties that could be identified and purchased prior to June 30, 2010.

7. Acknowledgement that WCDA may, at its discretion, negotiate directly with an entity for a foreclosed property and that any property that WCDA finds and acquires independent of the Agent is not compensable.

Submit Proposal

Proposals must be submitted no later than the close of business (5 p.m.) on Friday, July 10, 2009. Proposals may be submitted by mail, email, or fax to:

Jennifer Crawford
Federal Programs Coordinator
Wyoming Community Development Authority
155 North Beech Street
P.O. Box 634
Casper WY 82602

Telephone: 307-265-0603
Fax: 307-266-5414
Email: jcrawford@wyomingcda.com

All proposals will be carefully considered by the Wyoming Community Development Authority and selection will be primarily based on the qualifications of the real estate broker to perform the services. WCDA reserves the right to terminate the contract upon 30 days written notice.

Selection will be made by the WCDA Executive Director, based upon a recommendation from staff, and the WCDA reserves the right to reject any or all proposals not deemed acceptable or incomplete.