



Michigan State Building Authority

Lewis Cass Building
320 S. Walnut Street, 1st Floor
Lansing, MI 48933 (517) 373-3806

May 31, 2006

Request for Proposal

The State Building Authority is seeking appraisal services for a maximum of sixty-five (65) future State Building Authority Projects. With each project, the State Building Authority will be requesting a true rental range, a point rental and a complete, self-contained appraisal report. Attached is a current list of projects for which we are requesting services. Additional projects may be added or deleted from this list. The total number of projects actually completed and needing an appraisal cannot be guaranteed; however, the contract cannot exceed sixty-five projects. Subject to bonding, the ownership of each project will be subsequently transferred to the State Building Authority.

The main purpose of the Authority as created by PA 183 of 1964, as amended, is to finance the acquisition of equipment and the acquisition and construction of facilities for the use of the State of Michigan (the "State"). To date, the Authority has issued over \$2 billion in bonds for such purpose.

A selection committee will be established to review and evaluate all candidates and proposals. Selection will be based primarily upon the firm's relevant experience, knowledge of the Authority's financing requirements, and the experience and expertise of the individuals who will be primarily responsible for providing the services in their specific roles. The selection committee will also evaluate the firm's degree of critical understanding of the Authority's operating environment and goals, and its ability to serve the needs of the Authority in general. All members of the selected firm(s) who will provide appraisal services to the Authority must be certified/licensed to perform appraisals in Michigan and must have offices in Michigan.

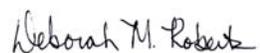
The appointment of an appraiser will be made by the Authority based on recommendations by the selection committee after it has evaluated qualifications and fee proposals.

Proposals must be structured to answer the questions contained in the enclosed Request for Proposals (RFP). Please limit your response to ten (10) pages (single side), excluding any requested appendices. Responses should be on 8 ½ x 11 paper with 10-point font or larger and should contain 1" margins. Responses by facsimile or other electronic means will not be reviewed. If your firm is interested in being considered for service to the Authority, please submit three (3) copies of your response to the enclosed RFP no later than 3 p.m. June 23, 2006 to:

Deborah M. Roberts
State Building Authority
Lewis Cass Bldg, First Floor
320 S. Walnut
P.O. Box 30026
Lansing, MI 48909

Questions regarding submissions of your proposal should be made to the undersigned at (517) 373-3806.

Sincerely,

A handwritten signature in cursive script that reads "Deborah M. Roberts".

Deborah M. Roberts
Deputy Executive Director
State Building Authority

Enclosure

MICHIGAN STATE BUILDING AUTHORITY
STATE OF MICHIGAN

REQUEST FOR PROPOSALS (RFP) FOR APPRAISAL SERVICES

The following information must be included in your proposal to be considered a candidate:

1. Ability to complete the appraisals. The assignment of appraisals varies depending on completion of construction projects. Therefore, appraisal assignments tend to group together. You will need to describe how you and your organization will be able to handle an irregular flow of work.
2. Average length of time to complete each appraisal report once officially assigned.
3. Fee per appraisal performed.
4. Experience in performing True Rental Value Appraisals for governmental bonded projects.
5. A copy of your current State certification/license.
6. Identification of your professional designation(s).
7. Acceptance of attached sample letter of agreement as written.

Current projects to be financed by the State Building Authority

Agency / School

Project

Dept. of Corrections
Dept. of Corrections
Dept. of Management and Budget
Dept. of Management and Budget
Michigan State Police

Huron Valley Food Service Addition
Riverside Power Plant Automation
State Facility Preservation
State Facility Preservation - Phase II
PSCS Platform Upgrades

Central Michigan University
Ferris State University
Michigan State University
Michigan Technological University
Saginaw Valley State University
University of Michigan - Ann Arbor
University of Michigan - Ann Arbor
University of Michigan - Flint
Wayne State University
Western Michigan University

Education Building
Instructional Resource Center
Chemistry Building Renovation/Cooling Towers
General Campus Renovations
Pioneer Hall Renovations
Observatory Lodge Renovation
Student Activity Center/Phoenix Laboratory
French Hall/Murchie Hall
Engineering Development Center
Brown Hall Renovation/Addition

Alpena Community College
Bay de Noc Community College
Glen Oaks Community College
Jackson Community College
Lansing Community College
Macomb Community College
Macomb Community College
Mid Michigan Community College
Montcalm Community College
Northwestern MI Community College
Schoolcraft Community College
Southwestern MI Community College
Washtenaw Community College
West Shore Community College

Instructional Addition/Renovation
West Campus Facility
Applied Science
Health Program Expansion
University Center
Emergency Services Training Center
Health Science and Technology Classroom
Science and Technology Center
Life Science Training Facility
Oleson Center Renovation
Technical Services Facility
Information Technology Center Renovation
Technology and Industrial Building Renovation
Student Learning Center

36 projects to be determined

SAMPLE LETTER

Date

Name of Appraiser

Address

Dear _____:

This letter of agreement is entered into between the Michigan Department of Management and Budget (DMB) and _____ (Appraiser) for professional appraisal services as assigned by the State Building Authority. Please sign the original and two copies and return them to this office for execution of the agreement by DMB. Appraisal services should not commence until this agreement is fully executed and one fully executed copy is returned to you.

All assignments of appraisal projects will come in writing from a member of the State Building Authority. The request will contain information on the project, location and a local contact person. The Appraiser will consider specific issues as related in each work assignment, including but not limited to utilities, access, easements, personal property, etc. Each request will set forth the deadline for the assignment, and three copies of the report will be provided by that deadline.

The Appraiser shall be paid the sum of _____ (\$ _____) for each appraisal work assignment. The total number of appraisal work assignments shall not exceed sixty-five (65), and the total payments may not exceed \$ _____. The total amount paid will otherwise be subject to the number of appraisal work assignments made by the State Building Authority, and satisfactorily completed by the Appraiser.

The Appraiser agrees to make a personal inspection of the property and provide the State Building Authority with a Self-Contained Appraisal Report, of his opinion of the True Rental Value of the property as set-forth in Michigan Compiled Laws 830.411. Appraiser shall furnish appraisal services in compliance with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and all applicable federal, state and local laws. Any departure from the Uniform Standards of Professional Appraisal Practices must be noted and explained.

It is understood that the time within which the work is to be performed is of primary importance and of the essence of this assignment. The appraiser will proceed with the work hereunder and will furnish and deliver the appraisal reports to the State as soon as completed, but not later than the deadline set forth by the State Building Authority (which is normally at least thirty days).

In the event Appraiser shall fail to complete the services within the time period specified above, DMB shall, without necessity of notice, terminate services of the Appraiser without incurring any liability for payment for appraisal(s) submitted after the due date, or shall deduct as a penalty a sum of money equal to one-half of one percent (1/2 of 1%) per calendar day of the total fee until the services are fully completed and furnished to the State Building Authority.

Upon receipt of a written request from the Appraiser, an extension of time may be granted by DMB and the State Building Authority in writing. In the even the Appraiser has not received from the State Building Authority proper information needed to complete the services, or in the event other extenuating circumstances occur, the time may be similarly extended by DMB and the State Building Authority. Any liquidated damages assessed under this agreement may be withheld from any money payable to the

Appraiser under this agreement or any other agreement with DMB. Additionally, DMB may pursue legal remedies to recover any unpaid liquidated damages.

DMB may give the Appraiser written notice to stop the delivery of services if: (a) the progress or quality of the Appraiser's work is unsatisfactory to DMB and the State Building Authority, or (b) the State Building Authority plans are changed so that the work is no longer needed. DMB and the State Building Authority will not pay for any work performed after the written notice is given to the Appraiser. However, Appraiser will be compensated for satisfactory work actually performed to date computed on the basis of the Appraiser's written fee estimate. In no event shall the Appraiser be compensated in excess of the amount that would have been paid had the appraisal services been completed.

Appraiser shall not assign this agreement, either in whole or in part, or the right to receive money due under this agreement, to any appraiser nor any other party not named on the agreement without the prior written consent of DMB.

All documentation or records created of the work performed or partially performed by the Appraiser shall be the property of the State Building Authority and shall be delivered to the State Building Authority upon request. Appraiser agrees to adopt standard accounting practices and maintain appropriate accounting records and to permit DMB to inspect these records at any reasonable time.

Appraiser agrees that his report and conclusions are for the confidential information of the State Building Authority and that he will not disclose his conclusions, in whole or in part, to any persons whatsoever, other than to submit his written report to the State Building Authority, and will only discuss the same with it or its authorized representatives.

Appraiser acknowledges that his report may be reviewed by another appraiser and he agrees to cooperate in that review.

In the event a revision of the work is necessary through Appraiser's error or oversight, the revision shall be submitted to the State Building Authority's request at no additional cost to DMB and the State Building Authority. If revisions become necessary because of revised plans or additional requirements on the part of DMB and the State Building Authority, it shall be done by written amendment to this agreement.

Appraiser shall purchase and maintain such insurance as will protect the Appraiser from claims which may arise out of or result from Appraiser's operations under this agreement, whether such operations by the Appraiser or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. In addition to protection afforded by any policy of insurance, the Appraiser agrees to indemnify and save harmless the State of Michigan, DMB, the State Building Authority and all officers, agents and employees thereof from (a) any and all claims by persons, firms, or corporations for work or services provided for or by the Appraiser in connection with services which the Appraiser shall perform under the terms of this agreement; and (b) any and all claims for injuries to, or death of, any and all persons, and for loss of or damage to property, and environmental damage, degradation, response and cleanup costs arising out of, under, of by reason of this agreement, except claims resulting from the sole negligence or willful acts of omissions of the indemnity, its agents or employees.

In performance of this agreement, Appraiser agrees not to discriminate against any employee or applicant for employment, or any matter directly or indirectly related to employment because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that

is unrelated to the individual's ability to perform the duties of a particular job or position. Appraiser further agrees that every subcontract entered into for performance of this agreement will contain a provision requiring nondiscrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights Act, 1976, PA 452, as amended, MCL 37.1101 et seq, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL37.1101 et seq, and all other federal, state and local fair employment practices and equal opportunity laws and covenants; and any breach would be regarded as a material breach of this agreement.

As an inducement to the execution of this agreement by DMB, the Appraiser represents and agrees that the Appraiser has not employed any person to solicit or procure this agreement, and has not made, and will not make, any payment or any agreement for the payment of any commission, percentage, brokerage, contingent fee, or other compensation in connection with the procurement of this agreement; and that the Appraiser has not now, and will not acquire, any interest (including that of real estate agent or broker), direct or indirect, present or prospective, and has not employed and will not employ, in connection with work to be performed under this agreement, any person having any such interest during the term of the agreement either directly or indirectly.

The parties agree that the Appraiser and any agents and employees of Appraiser, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of the State of Michigan.

It is mutually understood and agreed that no alteration or variation of the terms of this agreement shall be valid unless made by written amendment and signed by the parties to this agreement.

Payment of the appraisal fee shall be made after the State has reviewed and accepted each individual appraisal report, but in no event not later than 45 days after delivery of the individual appraisal report. There shall not be a standard percentage withheld from individual reports until all projects are completed.

This agreement is governed by the laws of the State of Michigan.

Accepted and Agreed to by:

(Name of Appraisal Company)

By: _____
(Appraiser's Name) Date

Its: _____
Accepted and Agreed to by:

State of Michigan
Department of Management and Budget

Deborah M. Roberts Date
Deputy Executive Director
State Building Authority