



INTRODUCTION

PURPOSE

The purpose of this Business Park Real Estate Commission Policy is to enable a functional business framework in which the Municipality of East Hants can work with real estate professionals to promote and sell lots in Municipal Business Parks.

OBJECTIVES

The objectives of the Business Park Real Estate Commission Policy are to:

1. Provide purchasers the ability to utilize the services of a registered real estate agent or broker at “arm’s length” to the purchaser;
2. Provide a significant return to agents or brokers in the form of a percentage commission on the sale price of a lot;
3. Increase current and future lot sales in the Municipal Business Parks; and
4. Generate greater awareness, in the Commercial Real Estate Industry, of all commercial development opportunity throughout the Municipality of East Hants.

SCOPE

This policy applies to the Economic and Business Development Department of the Municipality of East Hants, perspective lot purchasers, and real estate firms involved in the promotion, marketing, sales, and/or development of municipally-owned lots.

DEFINITIONS

Term	Definition
By-Law	Denotes laws passed and enforced by the Municipality.
Council Policy	A resolution of the council that is required, pursuant to the Municipal Government Act, to be recorded in the by-law records of a municipality, except where the context otherwise requires.
Purchase and Sale Agreement	A written contract signed by the Municipality of East Hants as the seller and a second party as the buyer, describing the sale of a municipal asset.



POLICY

POLICY STATEMENTS

The following policy statements are the directives and rules by which the Municipality of East Hants personnel must follow.

1. Real Estate Brokerage Commission Eligibility

For the purchaser who chooses to use the services of a registered real estate professional at “arm’s length” to the purchaser, the Municipality of East Hants will pay a real estate commission subject to the following:

1.1. Eligible Real Estate

1.1.1. Commissions are paid only on the sale of specific lots listed here:

- a) Municipally Owned lots in the Elmsdale Business Park
- b) Municipally Owned lots in the Uniacke Business Park

1.2. Broker Eligibility

1.2.1. Broker of Record

a) To be eligible for the commission fee, the Broker must:

- 1.2.1.a.1. Hold a current Nova Scotia Real Estate Broker and Salesperson License from the Nova Scotia Real Estate Commission;
- 1.2.1.a.2. Be the broker of record for the purchaser; and
- 1.2.1.a.3. Be identified as such in the Purchase and Sale Agreement upon both parties accepting the Purchase and Sale Agreement.

1.2.2. Sole Representation

- a) The Broker must represent the purchaser solely and not the Municipality as vendor



1.3. Commission

1.3.1. Commissionable Amount

- a) The commission will be paid on the final purchase price.

1.3.2. Commission Rate

- a) The Municipality of East Hants will pay a real estate commission of six percent (6%).

1.3.3. Payment

- a) The broker shall provide the Municipality of East Hants a copy of their Nova Scotia Real Estate Broker and Salesperson License from the Nova Scotia Real Estate Commission prior to the closing of the Purchase and Sale Agreement.

1.3.3.a.1. The commission is then payable to the broker within 30 days of closing.

1.3.4. Municipal Liability

- a) If, for any reason, the transaction does not close, the Municipality of East Hants is not responsible for the payment of the real estate commission nor is the Municipality of East Hants liable for any other payments, penalty, action or future consideration to the broker.

GOVERNANCE

ROLES AND RESPONSIBILITIES

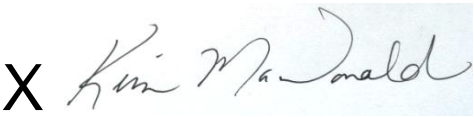
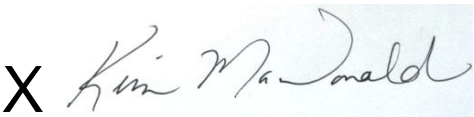
Title/Role	Responsibilities
Policy Owner	The policy owner (see Version Log Section) is responsible for ensuring that the policy is implemented and being followed. In addition, the policy owner is responsible for reviewing the policy on a yearly basis for relevancy and potential updates.
Municipality of East Hants Staff	<Note: Policy Owners are usually the heads of management units (i.e. Department Directors or the CAO).> All personnel that fall within the scope of this policy (see Scope Section) must follow the policy statements within this document and must follow the governing authority of the policy owner.



RELATED DOCUMENTATION

Document Name	Document ID	Document Type
Business Park Real Estate Commission & Exclusivity Report - Executive Committee - December 11 th , 2012. https://staff.easthants.ca/occ/chambers/?Category=agenda%3A17539%3A17541%3A5512&Agenda=1127		Report
Council Minutes of December 19 th , 2012 [specifically Resolution C12(384)]		Minutes / Resolution

VERSION LOG

Version Number	Amendment Description	Amendment/Policy Owner	Original Approval Date	Approved By
1.0	Based on Executive Committee Resolution CRS12(171) December 11 th , 2012 Titled "MEH Policy on Real Estate Brokerage Commission November 2012"	Stacey Black	12/20/2012	<p style="text-align: right;">8/29/2013</p>  <p>X Kim MacDonald-Vibert Director of Economic and Business Development</p>
2.0	- Conversion of Vs. 1.0 to new template - Reflects Council Resolution C12(384) December 19 th , 2012, endorsing the previous Executive Committee Resolution - New Name "Real Estate Brokerage Commission Policy"	Tyler Mattheis	8/22/2013	<p style="text-align: right;">8/29/2013</p>  <p>X Kim MacDonald-Vibert Director of Economic and Business Development</p>