



STATE OF UTAH - DEPARTMENT OF ADMINISTRATIVE SERVICES

Division of Facilities Construction and Management

DFCM

STATE OF UTAH

August 28, 2019

REQUEST FOR PROPOSALS TO PURCHASE PROPERTY

DIVISION OF FACILITIES CONSTRUCTION AND MANAGEMENT COMMERCIAL REAL ESTATE SECTION

DFCM Project Number: 20161120

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ADVERTISEMENT TO PURCHASE PROPERTY

The State of Utah, Division of Facilities Construction and Management, requests all persons interested in providing property to the State of Utah to submit a proposal by **2:00 p.m.**, on **Wednesday, October 30, 2019**. This will be a purchase by the State of Utah of a vacant warehouse or office building. Forms and Specifications for submitting proposals are included in this RFP.

Real Estate Project Number: 20161120

Project Name: Utah Department of Corrections, Division of Probation and Parole Community Corrections Center

Type of Space Required: Vacant warehouse or office building

Location: Northern and central Utah County from Orem to Springville, Utah. Preferred location to be close to active UTA bus routes and other public services.

Terms: Direct fee cash purchase, other purchasing arrangements may be considered

Size of Building Required: 40,000 – 50,000 square feet and 2-3 acres of land

Occupancy Date: No later than December 31, 2020

Minimum On-Site Parking Required: Two hundred (200) parking stalls for employees and visitors and eight (8) ADA designated parking stalls will be required. Preference will be given if parking stalls are all on-site with no public roadway or right-of-way separating the parking area from the building access. Additional Green space is desirable.

Commissions: The State of Utah will pay commissions on this project.

DIRECT QUESTIONS REGARDING THIS PROJECT TO:

Tom Shaw
Commercial Real Estate Manager
Division of Facilities Construction and Management
4110 State Office Building
Salt Lake City, Utah 84114
Telephone: (801) 538-3322
Fax No.: (801) 538-3267
Email: tashaw@utah.gov

PROCUREMENT PROCESS

This proposal is being requested by the Division of Facilities Construction and Management on behalf of the Utah Department of Corrections, Division of Adult Probation and Parole (APP). The space will be multi-use by the Department of Corrections as office space, halfway house, and treatment center for Adult Probation and Parole. The mission and vision of the Department of Corrections, Division of Adult Probation and Parole is to provide support services for former offenders to improve their economic opportunities and enable a smooth transition back to productive members of society.

DEFINITIONS:

"Usable Space" shall be computed by measuring to the finished surface of the office side of the corridor and other permanent walls, to the center of partitions that separate the office from adjoining Usable Areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. (ANSI/BOMA Z65.1-1996 (American National Standards Institute, Inc.).

Whenever the words **"approval," "prior approval," and "judgment"** are included without reference to any party, it shall be understood that the Division of Facilities Construction and Management, is responsible for the action.

DFCM means the Division of Facilities Construction and Management, a division of the Department of Administrative Services.

PROPOSALS DUE:

1. Proposals will be accepted until **2:00 p.m., Wednesday, October 30, 2019**. The time of the opening of proposals the firms or companies submitting the proposal and the location of the proposed facility will be recorded.

Please submit proposals to:

Tom Shaw
Commercial Real Estate Manager
Division of Facilities Construction and Management
State Office Building, Suite 4110
Salt Lake City, Utah 84114

2. The proposal is for a purchase of an existing vacant office or warehouse facility for use by the State of Utah, Department of Corrections.
3. Proposals shall be submitted in two phases. Please use the attached OFFEROR/ PROPOSAL cover pages or one of your own following the same format for submitting your proposal. The Initial Proposal shall comply with the following requirements.

INITIAL PROPOSAL REQUIREMENTS

GENERAL: Each Proposer shall submit one (1) original and two (2) copies of the Initial Proposal. Proposal narrative descriptions shall be of sufficient detail to permit the conceptual understanding of the proposal.

QUALIFICATIONS: Identify the Proposer's team members. Include the name, address, phone and fax numbers for each team member, as well as an organizational chart showing the relationship of the team with DFCM and the Owner. Include the qualifications and experience of each team member. The team members shall include the Owner, Developer, Architects, Engineers, Consultants and Potential Contractors. Developer's team members shall be available to DFCM as needed throughout the project.

NARRATIVE DESCRIPTION REQUIREMENTS: Include an explanation of any deviation from the RFP, whether they enhance or detract from the RFP Requirements.

Site: Identify the site location. Include a vicinity plan and site sketch. State current zoning. Identify the current owner of the property and if property is not currently owned by Proposer, then how the property will be obtained. Include a narrative description of the property as it currently exists. Note any conditions that would complicate the development of the project.

Design Concept: Provide a general narrative description of the building exterior, interior, structural, mechanical and electrical systems. Describe general site and landscape development features. Describe any energy, "green" or water saving features included in this proposal.

SCHEDULE: The Proposer shall provide an anticipated closing and occupancy date.

COST PROPOSAL: Include the purchase cost and estimate any other costs of the transaction.

The proposals which, after preliminary evaluation, are determined to be most advantageous to the State shall be required to prepare a Final Proposal. The Final Proposal shall comply with the requirements in the following section.

The estimated budget for this project is up to \$6.5 million.

COMMISSIONS: The State of Utah will pay commissions on this project.

FINAL PROPOSAL REQUIREMENTS

GENERAL: Each Proposer shall submit three (3) copies of the Final Proposal.

Identify any changes to proposer's team members. Respond to any questions from selection team members.

Identify plan of financing and extent to which financing commitments are in place. Include a date for construction financing commitment.

Proposal drawings and narrative descriptions shall be of sufficient detail, dimensions, and notes to permit the preparation of the proposal. (The submittal should be comparable to a partial Schematic Design proposal which responds to all information in the RFP.)

All requested drawings shall not exceed 24" x 36" in size. Color shall not be used on any drawing. Provide a 6" x 3" title block on the lower right corner of each drawing; include project name, project number, Proposer / Team name, graphic scale and north arrows if applicable.

Narrative systems descriptions shall be printed double sided and bound.

NARRATIVE SYSTEMS DESCRIPTIONS REQUIREMENTS: Expand the following Phase 1 systems descriptions. Include an explanation of any deviation from the RFP, whether they enhance or detract from the program.

Zoning and Code Analysis: State current zoning and pertinent requirements. For code analysis use "DFCM Design Manual".

Exterior Building Enclosure: Wall system, doors and windows, roof system, insulation, screening for mechanical equipment, acoustical treatment, structural system, energy savings features and all other systems for complete enclosure. Describe any other "green" features.

Interior Systems: Walls, doors, windows interior, all finishes, ceiling systems, all floor covering systems, window sills, window coverings, and window treatments, all equipment, casework, door hardware, signage systems, acoustical treatment, energy savings features and all other systems for the complete project. Describe any other "green" features.

Structural Systems: Frame type, footing type and description, structural fill proposal, lateral resistance system, deck system, design loads, and general structural information as required.

Mechanical Systems: HVAC and plumbing systems, energy and water saving features, complete system description, zone descriptions and control, fire sprinkling systems.

Electrical Systems Complete system, lighting, day lighting, main power and distribution, telecommunications, energy saving features, and security system.

Site Construction and Landscaping Systems; Complete paving systems (vehicular and pedestrian), landscaping, storm drainage, site lighting, landscape irrigation, berming, landscape features, exterior signage, integration with existing areas and systems not disturbed. Present information concerning complete site utility systems including, storm drains, gas, power, sewer, and water. Describe any other “green” features.

DRAWINGS: Include the following drawings:

Site Design: Site Plans (scale as appropriate) Show proposed fence lines and major dimensions, property boundaries, location of buildings, dumpster, walks, parking and site access, open spaces, accessible exterior route and accessible parking spaces. Indicate master planned facilities, proposed developments, and set backs. Indicate surface drainage, landscape, relationship to existing developments and existing roads, walks and public transportation. Indicate utility layout, electrical distribution, water mains and other related utility features. This sheet shall contain tabulations of site and building areas and open spaces.

Facility Design: Floor plan - Architectural - (Scale: 1/8" = 1'-0" minimum)

Show all required rooms with names and typical room dimensions, plumbing fixtures, cabinetry, windows, door swings and equipment locations. Show overall building dimensions. This sheet shall contain tabulations of rentable and usable floor areas.

Floor plan - Structural - (Scale: 1/8" = 1'-0" minimum)

Indicate structural framing system.

Floor plan - Mechanical - (Scale: 1/16" = 1'-0" minimum)

To be included on same sheet as Mechanical

Provide one line diagram of HVAC system. Show building zones. This sheet shall contain building envelope R-values.

Floor plan - Electrical - (Scale: 1/16" = 1'-0" minimum)

To be included on same sheet as Mechanical

Provide one line power distribution system. Indicate telecommunication distribution.

Typical Exterior Elevation & Building Section

(Scale: 1/8" = 1'-0" minimum)

Indicate materials, window types and major dimensions.

Typical Exterior Wall Section - (Scale: 2" = 1'-0" minimum)

Indicate general construction and structure including foundation, floors, wall and roof design and materials, including framing, insulation, vertical dimensions and ceiling heights. Indicate typical assembly details of any proposed pre-engineered or modular systems components, including a narrative on construction method.

Perspective or Isometric - (Optional)

SCHEDULE: The Proposer shall provide a complete schedule for the total project using a critical path method. Include key dates, approval and due diligence periods, proposed closing date, and all time required for the completion of the transaction. Include a proposed occupancy date.

COST PROPOSAL: Included purchase price and estimated closing costs. Include cost per square foot. Identify the purchase option price and/or any other desired purchase arrangements.

EVALUATION OF OFFERS: An analysis and evaluation of all proposals submitted will be made to determine the most reasonable offer possible for the initial term and any renewal periods. The Initial Proposal shall be evaluated independently from the Final Proposal. In determining which offer will be most advantageous to the State, the Selection Committee shall consider all the following factors:

Evaluation of Initial Proposal:

- Team Qualifications 5 points
 - Site 20 points
 - Location 30 points
 - Purchase Costs 30 points
 - Compliance with requirements to RFP 15 points
- 100 points

Evaluation of Final Proposal:

- Team Qualifications 5 points
 - Site 20 points
 - Location 30 points
 - Purchase Costs 30 points
 - Compliance with requirements to RFP 15 points
- 100 points

RIGHT OF REJECTION OF PROPOSALS: The Division of Facilities Construction and Management reserves the right to reject any or all proposals or to waive any formality or technicality in any proposal in the best interest of the state.

STATE'S OPTION TO TERMINATE REQUEST: The State cannot contract for payment of funds not yet provided by the Utah State Legislature and must reserve the right and option to terminate contracts if the space requirements of the request for proposals are altered by a federal act or an act of the Utah state legislature occurring before the expiration of the request for proposals. The State, therefore, reserves the right for the above reasons to terminate the request for proposals by giving sixty (60) days' notice in the manner as heretofore stated in all lease agreements.

PURCHASE AGREEMENT: A standard purchase agreement has been prepared for use by the Division of Facilities Construction and Management (copy attached). Specifically define any significant deviation to the purchase agreement you may require. The Division of Facilities Construction and Management Purchase and Sales Agreement form shall be used. The offeror, agency and staff of DFCM shall be involved in the preparation of the final written purchase agreement.

The Purchase and Sale Agreement may contain a Time of Completion and Delay Remedy clause which will require the payment of liquidated damages in the event the project is not substantially completed in a timely manner. The amount of liquidated damages shall be determined during purchase negotiations.

SITE: It is not required that the offeror actually own the real property for the proposed site, but the offeror must be able to legally fulfill the terms of the offer through an appropriate arrangement with the owner(s) of the proposed site prior to closing.

If required, the offeror shall obtain all clearances and permits required by the local planning authorities.

FINANCING: The State reserves the option to terminate the Lease Agreement or to disqualify a selected Proposer in the event that financing for the project is not obtained in sufficient time for the occupancy date to have been met.

A.D.A.A.G.: In compliance with the Americans with Disabilities Act, Individuals needing special accommodations to submit a proposal should notify the Division of Facilities Construction and Management, telephone 538-3018, at least 36 hours prior to the time special accommodations will be required.

DISPUTE RESOLUTION SECTION:

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The following dispute resolution procedures shall apply for any disputes initiated by the offeror and these provisions are incorporated by reference in the Purchase and Sales Agreement:

1. Procedure for Preliminary Resolution Efforts.

- a. **Request for Preliminary Resolution Effort (PRE).** An Offeror raising an issue related to a breach of this Lease Agreement or an issue concerning time or money shall file a PRE as a prerequisite for any consideration of the issue by the Division of Facilities Construction and Management ("DFCM" or "Tenant"). The labeling of the notice or request shall not preclude the consideration of the issue by the DFCM.
- b. **Time for Filing.** The PRE must be filed in writing with the DFCM Real Estate Section Manager (DFCM Manager) within twenty-one (21) days after Offeror knew or should have known of an event for initiating the PRE. This shall not eliminate any right of the Tenant to the cure period as described in the Lease Agreement.
- c. **Content Requirement.** The PRE shall be required to include in writing to the extent information is reasonably available at the time of such filing:
 - (1) a description of the issue;
 - (2) the potential impact on cost and time or other breach of the lease; and
 - (3) an indication of the relief sought.
- d. **Supplementation.** Additional detail of the content requirement above shall be provided later if the detail is not yet available at the initial filing as follows:
 - (1) While the issue is continuing or the impact is being determined, the Offeror shall provide a written updated status report every 30 days or as otherwise reasonably requested by the DFCM Manager; and
 - (2) After the scope of work or other factors addressing the issue are completed, the complete information, including any impacts on time, cost or other relief requested, must be provided to the DFCM Manager within twenty-one (21) days of such completion.

- e. **Pre Resolution Procedure.** The DFCM Manager may request additional information and may meet with the parties involved with the issue.
- f. **Offeror Required to Continue Performance.** Pending the final resolution of the issue, unless otherwise agreed upon in writing by the DFCM Manager, the Offeror shall proceed diligently with performance of the Lease Agreement and the State shall continue to make payments in accordance with the Lease Agreement.
- g. **Decision.** The DFCM Manager shall issue to the Offeror, and any other party brought into the process by the DFCM Manager as being liable to the DFCM, a written decision providing the basis for the decision on the issues presented by all of the parties within thirty (30) days of receipt of all the information required under this Dispute Resolution Section 1. c. and d. above.
- h. **Decision Final Unless Claim Submitted.** The decision by the DFCM Manager shall be final, and not subject to any further administrative or judicial review (not including judicial enforcement) unless a Claim is submitted in accordance with Claim provisions of this Dispute Resolution Section 2 below.
- i. **Extension Requires Mutual Agreement.** Any time period specified in these PRE provisions may be extended by mutual agreement of the Offeror and the DFCM Manager.
- j. **If Decision Not Issued.** If the decision is not issued within the thirty (30) day period, including any agreed to extensions, the issue may be pursued as a Claim under the Claim provisions below.
- k. **Payment.**
 - (1) Except as otherwise provided in the Lease Agreement, any final decision where the DFCM is to pay additional monies to the Offeror, shall not be delayed by any PRE, Claim or appeal by another party.
 - (2) Payment to the Offeror of any final decision shall be made in accordance with the Lease Agreement for the complete performance of the Offeror of its obligations.
 - (3) Notwithstanding any other provision of the Lease Agreement, payment to the Offeror shall be subject to any set-off, claims or counterclaims of the DFCM.
 - (4) Any payment or performance determined owing by the Offeror to the DFCM shall be made within thirty (30) days of the determination becoming final.

2. RESOLUTION OF CLAIM.

- a. **Claim.** If the decision on the PRE is not issued within the required timeframe or if the Offeror is not satisfied with the decision, the Offeror or other party brought into the process by the DFCM Manager, may submit a Claim in accordance with this Dispute Resolution Section 1 as

a prerequisite for any further consideration by the DFCM or the right to any judicial review of the issue giving rise to the claim.

- b. Time for Filing.** The Claim must be filed in writing promptly with the Director of DFCM (Director), but in no case more than twenty-one (21) days after the decision is issued on the PRE under Dispute Resolution Section 1 g. above or no more than twenty-one (21) days after the decision is not issued under Dispute Resolution Section 1 j. above, whichever is later.
- c. Content Requirement.** The written Claim shall include:
 - (1) a description of the issues in dispute;
 - (2) the basis for the Claim, including documentation and analysis required by the contract and applicable law and rules that allow for the proper determination of the Claim;
 - (3) a detailed cost estimate for any amount sought, including copies of any related invoices; and
 - (4) a specific identification of the relief sought.
- d. Extension of Time to Submit Documentation.** The time period for submitting documentation and any analysis to support a Claim may be extended by the Director upon written request of the Claimant showing just cause for such extension, which request must be included in the initial Claim submittal.
- e. Offeror Required to Continue Performance.** Pending the final determination of the Claim, including any judicial review or appeal process, and unless otherwise agreed upon in writing by the Director, the Offeror shall proceed diligently with performance of its responsibilities and obligations under the Lease Agreement and the State shall continue to make payments in accordance with the Lease Agreement.
- f. Agreement of Claimant on Method and Person(S) Evaluating the Claim.** The Director shall first attempt to reach agreement with the Claimant on the method and person(s) to evaluate the Claim. If such agreement cannot be made within fourteen (14) days of filing of the Claim, the Director shall select the method and person(s), considering the purpose of this rule as stated in Utah Administrative Code Rule R23-26-1. Unless agreed to by the Director and the Claimant, any selected person shall not have a conflict of interest or appearance of impropriety. Any party and the person(s) evaluating the Claim has a duty to promptly raise any circumstances regarding a conflict of interest or appearance of impropriety. If such a reasonable objection is raised, and unless otherwise agreed to by the Director and the Claimant, the Director shall take appropriate action to eliminate the conflict of interest or appearance of impropriety. The dispute resolution methods and person(s) may include any of the following:
 - (1) A single expert and/or hearing officer qualified in the field that is the subject of the Claim;

- (2) An expert panel, consisting of members that are qualified in a field that is the subject of the Claim;
- (3) An arbitration process which may be binding if agreed to by the parties to the Claim;
- (4) A mediator; or
- (5) Any other method that best accomplishes the purpose of Section R23-26-1.

g. The Evaluation Process, Timeframes of Evaluator(s), Director's Determination, Administrative Appeal to the Executive Director and Judicial Review. The Claim shall be evaluated, the timeframe for specific events related to the person(s) evaluating the Claim, the Director's determination, any appeal to the Executive Director of Administrative Services and any judicial review shall be subject to the provisions of Utah Administrative Code Rules R23-26-5(8), R23-26-5(9), R23-26-6 and R23-26-8.

h. Process Prerequisite for Further Consideration or Judicial Review. The administrative appeal to the Executive Director is a prerequisite for any further consideration by the State of Utah, or to judicial review of the issue giving rise to the Claim. It shall be considered that the Offeror, or another party brought into the process by the DFCM, has not exhausted its administrative remedies if such an administrative appeal is not undertaken.

i. Payment of Claim.

- (1) When a stand alone component of a Claim has received a final determination, and is no longer subject to review or appeal, that amount shall be paid in accordance with the payment provisions of the Lease Agreement or judicial order.
- (2) When the entire Claim has received a final determination, and is no longer subject to review or appeal, the full amount shall be paid within fourteen (14) days of the date of the final determination unless the work (including responsibilities and obligations of the Offeror under the Lease Agreement) or services has not been completed, in which case the amount shall be paid in accordance with the payment provisions of the Lease Agreement to the point that the work or services is completed.
- (3) The final determination date is the earlier of the date upon which the Claimant accepted the settlement in writing with an executed customary release document and waived its rights of appeal, or the expiration of the appeal period, with no appeal filed, or the determination made resulting from the final appeal.
- (4) Any final determination where the DFCM is to pay additional monies to the Offeror shall not be delayed by any appeal or request for judicial review by another party brought into the process by the DFCM as being liable to the DFCM.

- (5) Notwithstanding any other provision of the Lease Agreement, payment of all or part of a Claim is subject to any set-off, claims or counterclaims of the DFCM.
- (6) The execution of a customary release document related to any payment may be required as a condition of making the payment.

j. Claim Fee; Allocation of Costs of Claim Resolution Process.

- (1) In order to file a Claim, a Offeror must pay a \$1500 filing fee to the DFCM.
- (2) Unless otherwise agreed to by the parties to the Claim, the costs of resolving the Claim shall be allocated among the parties on the same proportionate basis as the determination of financial responsibility for the Claim.
- (3) The costs of resolving the Claim that are subject to allocation include the Offeror's filing fee, the costs of any person(s) evaluating the Claim, the costs of making any required record of the process, and any additional testing or inspection procured to investigate and/or evaluate the Claim.
- (4) Each party is responsible for its own attorney fees.

k. Alternative Procedures. To the extent otherwise permitted by law, if all parties to a Claim agree in writing, a protocol for resolving a Claim may be used that differs from the process described in the Lease Agreement.

l. Impact on Future Selections.

- (1) The presentation of a good faith and non-frivolous issue or Claim shall not be considered by the DFCM's selection process for a future award of a lease or other contract by DFCM; and
- (2) The submission of a bad faith and frivolous issue or Claim or the failure by a Offeror to facilitate resolution of a Claim, may be considered in the DFCM's evaluation of performance and may affect the future award of a lease or other contract by DFCM.

m. Report to Building Board. The DFCM may report on the claim to the Utah State Building Board.

REQUIREMENTS FOR THE PROPERTY TO BE PURCHASED

GENERAL INFORMATION:

- Type of Property Required:** Vacant warehouse or office building. Single story preferred.
- Use:** Parole office, halfway house, secure treatment space and customer contact space for the Utah Department of Corrections, Division of Adult Probation and Parole.
- Location:** Northern and central Utah County from Provo to Springville, Utah. Preferred location to be close to active UTA bus routes and other public services.
- Terms:** Direct fee cash purchase, other purchasing arrangements may be considered
- Size of Building Required:** 40,000 – 50,000 square feet with 2-3 acres of land.
- Occupancy Date:** No later than December 31, 2020

Minimum On-Site Parking Required: Two Hundred (200) parking stalls for employees and visitors and eight (8) ADA designated parking stalls will be required. Preference will be given if parking stalls are all on-site with no public roadway or right-of-way separating the parking area from the building access. Additional Green space is desirable.

Public Transportation: Additional preference will be given for proximity to public transportation, including UTA bus lines and TRAX stations.

Security Requirements: All locks shall be lockable with a master key system. The State shall be furnished not less than two (2) master keys and two (2) keys for each individual lock.

ENVIRONMENTAL CONSIDERATIONS: The Offeror/Proposer agrees to comply with all applicable Federal, State and local codes and regulations or ordinances concerning environmental considerations up until closing.

INITIAL PROPOSAL SUMMARY PAGE

DFCM Project Number: 20161120

**Project Name: Utah Department of Corrections, Division of Probation and Parole
Community Corrections Center**

Date: _____

Property Address: _____

Name, Address and Telephone Number of Owner(s) of Record:

Name: _____

Address: _____

Telephone No.: () - - _____

Fax No. : () - - _____

Name, Address & Telephone Number of Authorized Proposer Submitting Proposal:

Name: _____

Address: _____

Telephone No.: () - - _____

Fax No.: () - - _____

Anticipated Annual Lease Rate: _____

Anticipated Cost of Proposal: _____

Rentable Square Feet: _____

The Proposer does hereby warrant that (s)he is authorized to execute and deliver the offer described herein and attached hereto and represents that (s)he is fully capable to, and will, comply with the terms and conditions of the offer if such offer shall be selected by the State of Utah, Division of Facilities Construction and Management. Proposer further warrants that they have never been terminated or disbarred from any project using federal funds.

Signed by: _____

Title: _____

STATE OF UTAH
DEPARTMENT OF ADMINISTRATIVE SERVICES
DIVISION OF FACILITIES CONSTRUCTION AND MANAGEMENT

REAL ESTATE CONTRACT OF PURCHASE AND SALE

CONTRACT NUMBER

SELLER:

and

BUYER:

STATE OF UTAH
DIVISION OF FACILITIES
CONSTRUCTION AND MANAGEMENT
State Office Building, Suite 4110
Salt Lake City, Utah 84114

PROPERTY LOCATED AT:

PURCHASE PRICE: \$

Title Company Information

Buyer Information

Seller Information

REAL ESTATE CONTRACT OF PURCHASE AND SALE

CONTRACT NO.

THIS CONTRACT, made this _____ day of _____, 20____, by and between _____, a Utah corporation whose address is _____ in _____, Utah, hereinafter described as the SELLER and the STATE OF UTAH, DIVISION OF FACILITIES CONSTRUCTION AND MANAGEMENT, a division of the Department of Administrative Services whose address is State Office Building, Suite 4110, Salt Lake City, Utah, hereinafter described as the BUYER.

WHEREIN IT IS MUTUALLY AGREED AS FOLLOWS:

SECTION 1. REAL PROPERTY:

1.1 For good and valuable consideration acknowledged by the parties, SELLER agrees to sell and convey, with the buildings and improvements thereon, both Real and Personal, and the BUYER agrees to purchase all the lots or parcels of land, with the buildings and improvements thereon, both Real and Personal, hereinafter referred to as "the Property", located at in ____ City, County of _____, State of Utah, and more particularly described as follows:

CONTAINS ____ SQUARE FEET EQUAL TO ____ ACRES.

1.2 This sale includes all rights, title, and interest, if any, of the SELLER in and to any land lying in the bed of any street, road, or avenue opened or proposed in front of or adjoining said Property, to the center line thereof, and all rights, title, and interest of SELLER in and to any award made in lieu thereof and all right of SELLER in the connected sewer, sidewalk, curb and gutter, connected city culinary water and any other community culinary water system. SELLER will execute and deliver to BUYER, on closing of title, all proper instruments for conveyance of such title.

1.3 SELLER shall not allow any liens, attachments or other encumbrances deemed to be objectionable to BUYER to be filed against said Property during the period of time following the execution of this Contract and prior to the transfer of title unless SELLER is in a position to remove any such lien, attachment or encumbrance prior to Closing.

1.4 BUYER'S obligation to purchase the Property pursuant to this Contract shall be subject to BUYER'S obtaining financing.

SECTION 2. PRICE AND PAYMENT:

2.1 The BUYER covenants, promises and agrees to and with SELLER that BUYER will pay and satisfy to SELLER, as and for the purchase price of the lands described in Section 1 hereof the sum of _____ Dollars (\$ _____). Such amount shall be due and payable on closing of the title, by a check drawn to the order of the _____ Title Company, in Trust, to be thereafter disbursed and distributed to SELLER.

~~~~~ (b) The exact amount of property being conveyed shall be determined by a survey which shall be made by a registered engineer determining the exact area being sold. In the event it is determined that the exact amount of acreage being conveyed shall be adjusted from the \_\_\_ acres specified in Section 1 the total purchase price shall be adjusted accordingly. The exact sales price, amount of cash due at the date of closing, shall be based upon the agreed price of \$\_\_\_ per each square foot of land.

~~~~~ (b) In the event that it is determined that the exact amount of acreage being conveyed shall be adjusted from the 2.60 acres specified in Section 1 the total purchase price shall be adjusted accordingly. The exact sales price, amount of cash due at the date of closing, shall be based upon the agreed price per acre as set forth in Section 2(a) hereof, and is to be determined by a survey which may be made by a registered engineer determining the exact area being sold, or BUYER may elect to base the sales price on the acreage as stated in Section 1 hereof.

BUYER agrees to forthwith deposit with _____, escrow agent, the sum of _____ Dollars (_____) as earnest money, to bind this sale, which Escrow Deposit shall be held and disbursed by the title company in accordance with the terms and provisions of this Agreement. Said Escrow Deposit shall be deposited in an interest-bearing account, with the interest accruing thereon for BUYER'S benefit. The balance of said purchase price shall be due and payable on closing of the title.

2.2 In the event that this transaction is closed in accordance with the terms of this Agreement, the Escrow Deposit (including the interest earnings) shall be credited to BUYER as a portion of the purchase price and paid over to SELLER at closing. If, for any reason other than BUYER'S failure to perform its obligations hereunder, title is not conveyed from SELLER to BUYER, BUYER'S Escrow Deposit, along with all accrued interest, shall be immediately returned to BUYER. If transfer of title is not completed for BUYER'S failure to perform its obligations hereunder, the Escrow Deposit shall be liquidated damages to SELLER.

2.3 SELLER acknowledges that BUYER may assign its interest in this Contract to the State Building Ownership Authority (Authority) and that the BUYER or Authority may further assign its interest in this Contract to a bond trustee as collateral security relating to BUYER'S financing. SELLER does hereby consent to each such assignment. Any such assignment shall be in written form and may include not only the subject Property but also other properties being purchased by BUYER. BUYER shall provide SELLER a copy of each duly executed

assignment within ten (10) days of the execution date thereof. If requested, SELLER shall specifically execute a consent and acknowledgement release for each such assignment. Upon assignment of this Contract the Authority and the bond trustee shall perform all of BUYER'S obligations under the Contract, including, without limitation, the payment of the purchase price defined hereinabove and other amounts due under the Contract, but only from amounts obtained from the financing. All covenants, promises, and provisions of this Contract shall remain in full force and effect and all of SELLER'S rights and privileges shall not be disturbed by either assignment.

2.4 The Escrow Agent shall be under no responsibility of any of the moneys deposited with it other than faithfully to follow the instructions herein contained. Escrow Agent shall have no responsibility for the genuineness or validity of any document or other item deposited with Escrow Agent, and shall be fully protected acting in accordance with any written instructions given to Escrow Agent hereunder and believed by Escrow Agent to have been signed by the proper parties. Escrow Agent has executed this Agreement at the foot hereof to confirm that Escrow Agent is holding, and will hold, the money in escrow pursuant to the provisions of this section.

SECTION 3. EXPENSES:

3.1 Closing expenses shall be paid by the party indicated below:

- | | |
|------------------------|--------|
| a) Closing cost: | 50/50 |
| b) Basic Title policy: | SELLER |
| c) Extended Coverage: | BUYER |
| d) Recording fees: | BUYER |
| e) Survey: | SELLER |

SECTION 4. CLOSING OF TITLE:

4.1 It is understood and agreed that the closing of this transaction is subject to BUYER obtaining financing for this project. In the event it becomes necessary to add any new provisions or modify existing provisions of this Contract in order for BUYER to obtain financing for this transaction, SELLER agrees to cooperate to the fullest extent possible to making such necessary changes or modifications that may be required for such financing.

4.2 The closing of title shall be on or about _____, 20 . All documents are to have the approval of the BUYER'S Legal Counsel and the Utah Division of Finance. Should said approvals be delayed, thirty (30) days of additional time shall be granted for closing.

4.3 At the closing of title the SELLER shall deliver to the BUYER a Warranty Deed conveying to the BUYER title in fee simple to said property free and clear of all liens and encumbrances. SELLER shall, at SELLER'S cost and expense, furnish BUYER with an Owner's Policy of Title Insurance (ALTA Form B-Current Revision, Extended Coverage). Title shall be vested to BUYER as follows:

4.4 No liens, encumbrances or other restrictions shall be allowed against the property unless specifically approved in writing by BUYER. If the SELLER is unable to convey title in accordance with the terms of this Contract the liability of the SELLER will be to refund to BUYER the Earnest Money Deposit and the net costs of examining title and upon such refund being made, this Contract shall be considered canceled.

SECTION 5. TITLE APPROVAL:

5.1 SELLER agrees to furnish good and marketable title and to provide a title insurance policy in the name of BUYER for the amount of sale. Within fifteen (15) days of the date of this Contract of Purchase and Sale, SELLER shall, at SELLER'S cost and expense, furnish to BUYER a commitment issued by Escrow Agent for an Owner's Policy of Title Insurance (ALTA Form B-Current Revision, Extended Coverage), insuring good and marketable title to the Property in BUYER in an amount equal to the Purchase Price (the "Title Commitment"). The Title Commitment shall include legible copies of instruments creating exceptions to the Title Commitment. SELLER covenants that there are no assessments or liens against the property not mentioned elsewhere in this Contract. BUYER cannot assume, as a matter of public policy, the payment thereof or liability therefore if lawfully assessed against the SELLER. Should the Title Commitment disclose an easement, restriction, encumbrance, lien or other matter of record which would render the Property unsuitable for BUYER'S purposes in BUYER'S sole discretion, SELLER shall have thirty (30) days to remove such objectionable matter ("Title Objection") from the Title Commitment. If SELLER is unable to remove or resolve the Title Objection, BUYER in its discretion, may terminate this Contract or waive such Title Objection and proceed to Closing, in which event the Title Objection shall be deemed to be a permitted exception to SELLER'S title to the Property ("Permitted Exceptions").

SECTION 6. REPRESENTATIONS:

6.1 SELLER has the full right, power and authority to enter into this Contract and to cause the same to create a legal and binding obligation of SELLER in accordance with the terms of the Contract and to convey fee simple title to the Property to BUYER.

6.2 There is not now, nor will there be at Closing, any pending claim, litigation, condemnation, administrative or environmental action or other legal or regulatory proceeding, nor is SELLER aware of any such claim, litigation, condemnation or proceeding involving or affecting any portion of the Property. The Property is not subject to any claim of adverse possession, or prescriptive easement.

6.3 Upon Closing, there will be no oral or written leases, agreements or contracts in any way affecting or related to the Property except those agreements or leases previously disclosed to BUYER, in writing. Seller shall pay over to Buyer in cash all security or prepaid rents Seller holds pursuant to the Leases. SELLER shall provide evidence satisfactory to BUYER, that any lease affecting the Property shall be terminated on or before Closing. SELLER shall provide BUYER with copies of all leases or other agreements affecting the property within ten (10) days of the date of this Agreement.

6.4 At Closing, no material default exists under any agreement, including the Leases, or any loan documents which in any way affects the Property.

6.5 SELLER represents and warrants to BUYER that SELLER has not made and will not make any commitments or representations to the applicable governmental authorities, or any adjoining or surrounding property owners or future buyers of SELLER'S property adjoining or surrounding the Property, which would in any manner be binding on BUYER or interfere with BUYER'S ability to use the Property as contemplated by BUYER, without first obtaining BUYER'S written consent.

SECTION 7. CONDITIONS PRECEDENT TO CLOSING:

7.1 Notwithstanding, any provision to the contrary, BUYER shall not be required to purchase the Property unless each of the conditions contained herein have been met, or waived, by BUYER, in writing, prior to Closing and BUYER has obtained financing. The BUYER shall have sixty (60) days after SELLER'S execution of this Contract to inspect the Property and resolve all conditions precedent to closing as set forth herein (the "Examination Period"). If any of the conditions are not met prior to Closing, BUYER may, in its sole discretion, terminate this Purchase and Sales Agreement or waive such condition and proceed to Closing. In the event of BUYER'S termination, this agreement will be null and void and the Earnest Money Deposit, if any, with any accrued interest shall be returned to BUYER.

SECTION 8. PRORATIONS, ENCUMBRANCES, LIENS AND ASSESSMENTS:

8.1 Current taxes and assessments shall be prorated as of the date of closing. Proration shall be based on the latest information available. All other charges to the property of any nature shall be paid by SELLER at or before closing. If closing occurs before the tax rate is fixed, apportionment shall be upon the basis of the rate for the prior year. Unpaid taxes, which SELLER is obligated to pay, may, at the option of SELLER, be allowed to BUYER as a credit.

8.2 If there are liens which SELLER is obligated to pay, SELLER shall make arrangements with SELLER'S title company, in advance of closing, so that it will issue title insurance to BUYER free of any liens.

8.3 SELLER covenants that there are no assessments or liens against the property not mentioned elsewhere in this agreement. BUYER cannot assume, as a matter of public policy, the payment thereof or liability therefore if lawfully assessed against the SELLER.

SECTION 9. SELLER'S DUTY TO NOTIFY:

9.1 SELLER shall promptly notify and inform BUYER upon learning of a change in any law, regulation, restriction, or administrative ruling applicable to the contemplated transaction which might conflict with BUYER'S intended use of the Property or materially affect the value thereof.

SECTION 10. NO IMPEDIMENTS TO ISSUANCE OF BUILDING PERMITS:

10.1 SELLER has no knowledge of any fact, condition, or impediment that would prevent BUYER from obtaining any necessary building permits from the appropriate governmental authority for the construction of a _____ upon the Property.

SECTION 11. UTILITIES:

11.1 All charges for water, fuel and all other utilities assessed against the property shall be paid in full by SELLER prior to closing of title. It shall be the responsibility of SELLER to terminate all utility services provided to the property. Obsolete utilities shall be disconnected and properly terminated by SELLER prior to closing.

SECTION 12. BUYER'S ACCESS TO THE PROPERTY:

12.1 BUYER and its agents shall have reasonable access to the Property to inspect it and to ascertain site conditions before Closing. BUYER and its agents shall also have the right to enter onto the property for the purpose of performing boring tests, engineering or topographic tests, an environmental assessment and/or other studies upon or of the subject Property. SELLER does hereby grant to BUYER a license to enter upon the Property for inspection and all other purposes associated with such testing and assessment. BUYER shall take reasonable steps to minimize any damage which may be caused by such inspections. In the event said tests or studies do not warrant, in the sole discretion of BUYER, the development of the subject property, then the BUYER shall have the right, within sixty (60) days, to terminate this Contract by written notice to SELLER, and to forthwith receive a refund of any monies paid; and in such event, all parties shall be relieved of further liability or obligation hereunder. No such examination, assessment or testing shall be deemed to constitute a waiver or relinquishment on the part of BUYER of its rights to rely on the covenants, representations, warranties, or agreements made by SELLER

SECTION 13. NONPRESENCE OF HAZARDOUS MATERIALS:

13.1 SELLER represents and warrants that:

- 1) The Property has never been, and is not currently, a site for the generation, storage, or disposal of hazardous material; it has never been, and is not currently, a disposal site of any kind. Underground storage tanks have never been, and are not currently, present on the Property.
- 2) SELLER and the Property are in full compliance with all laws, regulations, rules, and legal requirements of the federal, state, and local municipalities regarding environmental protection and with all permits or licenses issued by such municipalities.
- 3) No event has occurred that may constitute noncompliance with any environmental law, regulation, rule, or requirement upon the giving of notice and/or the passing of time.
- 4) No municipal department or agency has issued any agreements, decrees, consent

orders, judgments, licenses or permit-conditions, or other directives that require any present or future change in the condition or use of the Property or that may relate in any way to its use in the present or future.

5) No action, suits, claims, or other proceedings have commenced either regarding the disposal, discharge, or release of hazardous material at or from the Property, or alleging a violation or noncompliance with any environmental law.

6) SELLER'S insurance coverage has not been denied or canceled on account of hazardous material on the Property; nor has SELLER'S insurance carrier or mortgagee notified SELLER relative to hazardous material on the Property nor given SELLER any recommendation, advice, or directives as to such hazardous material.

13.2 SELLER shall provide BUYER with an environmental assessment survey and/or other studies performed upon or of the subject Property to certify that the subject property is free from any hazardous materials. Should the environmental assessment survey disclose the subject Property is not in full compliance with all laws, regulations, rules, and legal requirements of the federal, state, and local municipalities regarding environmental protection and does not warrant, in the sole discretion of BUYER, the development of the subject property, then the BUYER shall have the right, within sixty (60) days, to terminate this Contract by written notice to SELLER or to the broker, and to forthwith receive a refund of any monies paid; and in such event, all parties shall be relieved of further liability or obligation hereunder or BUYER may elect to require SELLER to comply with such laws regulations, rules, and legal requirements of the federal, state, and local municipalities. No such examination, assessment or testing shall be deemed to constitute a waiver or relinquishment on the part of BUYER of its rights to rely on the covenants, representations, warranties, or agreements made by SELLER.

13.3 In the event that BUYER discovers toxic or hazardous waste on the Property after purchase which did not occur after SELLER conveyed title to BUYER, then SELLER shall, at its sole option do one of the following at SELLER'S sole cost and expense: 1) Remove the hazardous or toxic waste; or 2) Take such steps as are necessary to protect the BUYER, its employees and the public who go upon the Property from any significant risk of injury or disease from the toxic or hazardous waste in accordance with federal and State laws and regulations.

OR THE FOLLOWING SUBSTITUTE LANGUAGE:

b. In the event that BUYER discovers toxic or hazardous waste on the Property after purchase which was not there before SELLER obtained title, and which did not occur after SELLER conveyed title to BUYER, then SELLER shall, at its sole option do one of the following at SELLER'S sole cost and expense: 1) Remove the hazardous or toxic waste; or 2) Take such steps as are necessary to protect the BUYER, its employees and the public who go upon the Property from any significant risk of injury or disease from the toxic or hazardous waste in accordance with federal and State laws and regulations.

c. In the event that BUYER discovers toxic or hazardous waste on the Property after purchase which occurred on the Property before SELLER obtained title to the Property, then the parties shall share equally in the cost of all suits, claims, demands, judgements, orders, liability, clean-up, removal, or protective action taken with respect to or arising out of the presence of such toxic or hazardous waste.

SECTION 14. ZONING:

14.1 SELLER shall be responsible for obtaining the necessary zoning change from _____ County to change the property from an _____ classification to a _____ (Conditional Use) classification. In the event that SELLER has been denied the rezoning of the Property as required by BUYER and wishes to appeal the decision of the local zoning authority, or if SELLER has secured the required rezoning but such rezoning has been challenged by other parties in a court of competent jurisdiction, then the Closing Date shall be extended during the pendency of any litigation with regard to the change in zoning in which SELLER is a party; provided, however, that if a final judgment with regard to the zoning order has not been entered within two months after the date of the signing of this contract, then BUYER shall have the option to either close the purchase of the Property on that date, or to rescind the Contract and all rights and/or obligations on the part of either party shall be deemed canceled.

14.2 A true and correct copy of the zoning change ordinance having been delivered by SELLER to BUYER. SELLER has no knowledge of any fact, action, or proceeding, whether actual, pending or threatened, which could result in a modification or the termination of such zoning.

SECTION 15. SURVEY REQUIREMENTS:

15.1 SELLER shall obtain and provide to BUYER a certified ALTA/ACSM Land Title survey, legal description and corner staking prior to closing. The Survey shall be an as-built perimeter survey of the Property made and certified to ALTA Minimum Standards, to be dated and signed by a registered land surveyor licensed in the State of Utah. The surveyor's seal must be affixed to the Survey and his registration or license number indicated thereon. The Survey shall state that it is certified to all parties involved in the transaction and to the Title Insurance Company insuring the transaction.

15.2 The Survey shall show the perimeter of the Property by courses and distances; the physical character of the boundary lines; the location of all improvements; easements and rights-of-way; encroachments and the extent thereof in feet and inches from and upon the Property; and location of all utilities serving the subject Property. THE LEGAL DESCRIPTION OF THE PROPERTY SHALL BE SET FORTH ON THE SURVEY IN FORM SUITABLE FOR INCORPORATION INTO ALL CLOSING DOCUMENTS. In the event said survey shall disclose any easements, rights-of-way or encroachments which would prohibit BUYER from developing the property for its intended use, then BUYER shall have the option to either close the purchase of the Property or to rescind the Contract and all rights and/or obligations on the part of either party shall be deemed canceled.

SECTION 16. CONDITION OF PROPERTY/RISK OF LOSS:

16.1 Prior to Closing, SELLER shall take such steps as necessary to maintain the Property in substantially the same state and condition as upon the execution of this Contract. Any material decline or alteration of the Property resulting from an Act of God or otherwise during the pendency of this Contract shall entitle BUYER to terminate this Contract in its sole discretion.

16.2 All risk of loss and destruction of the property and improvements, and all expenses and insurance, shall be borne by the SELLER until the date of closing, at which time all said such risk shall pass to BUYER.

SECTION 17. DEFAULT:

17.1 Upon the failure of either party to perform their obligations hereunder, such party shall be in default only after having been given fifteen (15) days written notice of such failure, and having failed to perform such obligations within such (15) day period. Upon the expiration of the curative period:

- a) If the BUYER is the defaulting party, this Contract shall be null and SELLER shall only be entitled to retain the Earnest Money Deposit as liquidated damages. The parties have discussed and negotiated in good faith upon the question of damages to be suffered by SELLER in the event BUYER breaches this Contract, and they hereby agree that liquidated damages in the amount of the Earnest Money Deposit are and will be reasonable.
- b) If SELLER is the defaulting party, BUYER, at its option may:
 - i. Seek specific performance of this Contract. The parties declare it to be their intent that this Contract be specifically enforced;
 - ii. Pursue all other remedies available at law or in equity, it being the intent of the parties that remedies be cumulative and liberally enforced so as to adequately and completely compensate the non-defaulting party.

SECTION 18. ATTORNEY'S FEES:

18.1 In the event of any action, proceeding or litigation in a Court of competent jurisdiction, each party shall be responsible for its own costs and attorney's fees.

SECTION 19. MANNER OF GIVING NOTICE:

19.1 Any notice to be given by either party to the other pursuant to the provisions of this Contract or of any law, present or future, shall be in writing and delivered personally to the party to whom notice is to be given, or by certified mail, return receipt requested, addressed to the party for whom it is intended at the address stated below or such other address as it may have designated in writing. Such notices shall be given to the SELLER and BUYER, respectively, at the following addresses: _____

SECTION 20. BROKERAGE--SALES COMMISSION:

20.1 SELLER shall be solely responsible for the payment of any real estate commission or finder's fee, if any, associated with the purchase and sale of the Property. SELLER shall indemnify and hold BUYER harmless for any brokerage, finder's fee, or sales commission required to be paid as a result of SELLER'S actions relative to this transaction.

The parties expressly acknowledge that _____Realty Group is the representative or agent for the BUYER. Notwithstanding the foregoing, SELLER agrees to pay a commission to _____ Realty Group equal to ___% of the gross sales price. SELLER shall be solely responsible for the payment of this commission. Otherwise, SELLER shall indemnify and hold BUYER harmless for any other brokerage, finder's fee or sales commission required to be paid as a result of SELLER'S actions relative to this transaction.

SECTION 21. BINDING EFFECT:

21.1 The principals to this Contract mutually agree that it shall be binding upon them, their and each of their respective heirs, legal representatives, successors and assigns of the respective parties and shall be construed and enforced under the laws of the State of Utah. The parties agree that the provisions hereof shall survive the execution and delivery of the deed aforesaid and shall not be merged therein and that this Contract, along with the Exhibits attached hereto, contains the final and entire agreement between the parties hereto; and, neither they nor their agents shall be bound by any terms, conditions, statements, warranties, or representations, oral or written, not herein contained. Any provisions hereof not enforceable under the laws of the State of Utah shall not affect the validity of any other provisions hereof.

SECTION 22. MARGINAL CAPTIONS:

22.1 The various headings and numbers herein and the grouping of the provisions of this Contract into separate sections and paragraphs are for the purpose of convenience only and shall not be considered a part hereof. Section captions shall not in any way limit, modify, or alter the provisions in the section.

IN WITNESS WHEREOF, BUYER and SELLER have duly executed this Contract on the date first above written.

BUYER
State of Utah

SELLER

James Russell, Director
Division of Facilities
Construction and Management

Name:
Title

APPROVED:

Utah Division of Finance

APPROVED AS TO FORM:

Michael Kelley
Assistant Attorney General
State of Utah