Special Item Number (SIN) 531
Employee Relocation Solution
Requirements
8/4/2020

Contents

Employee Relocation Overview & General Requirements 3
I. References 3
II. Notice to Contractors 3
III. SINs, NAICS & Services 3
IV. Quality Control 3
V. Services Outside the Scope of Contract 4
VI. Industrial Funding Fee & Homesale Transaction Fee 4
VII. Scope 5
VIII. Interpretation of Task Orders 5
IX. Data Communications Capabilities 5
X. Correspondence 5
XI. Reporting Requirements 5
Homesale Services 7
XII. Homesale Services Pricing 7
A. Appraised Value and Amended Value Transactions: Full Choice Homesale with Mortgage Payoff (Pricing Option 1) 8
B. Appraised Value and Amended Value Transactions: Full Choice Homesale with Delayed Mortgage Payoff (Pricing Option 2) 8
C. Appraised Value and Amended Value Transactions: Managed Homesale with Mortgage Payoff (Pricing Option 3) 9
D. Appraised Value and Amended Value Transactions: Managed Homesale with Delayed Mortgage Payoff (Pricing Option 4) 9
E. Buyer Value Option Transactions (BVO): Full Choice Homesale with Mortgage Payoff (Pricing Option 1) 10
F. Buyer Value Option Transactions (BVO): Full Choice Homesale with Delayed Mortgage Payoff (Pricing Option 2) 10
G. Buyer Value Option Transactions (BVO): Managed Homesale with Mortgage Payoff (Pricing Option 3) 11
H. Buyer Value Option Transactions (BVO): Managed Homesale with Delayed Mortgage Payoff (Pricing Option 4) 11
I. Special Handling Transactions: Managed Homesale with Mortgage Payoff (Pricing Option 1) 11
J. Special Handling Transactions: Managed Homesale with Delayed Mortgage Payoff (Pricing Option 2) 12
XIII. Homesale Services Requirements 13
A. Eligibility 13
B. Home Marketing Assistance 14
C. Homesale Assistance 15
D. Title Search, Broker Market Analysis, Inspections 16
E. Home Inspections and Inspection Criteria 16
F. Appraised Value Transaction 18
G. Amended Value and Amend-from-Zero Transaction 22
H. Mortgage Payoff vs. Mortgage Servicing 24
I. Vacating and Equity Distribution 24
J. Cancellation of Transaction 27
K. Destination Area Services 27
L. Mortgage Counseling 28
Group Move Services 29
XIV. Group Move Services Pricing 29
XV. Group Move Services Requirements 29
A. Site Identification and Selection 29
B. Project Planning and Program Design 30
C. Pre-Move Employee Orientation and Decision-Making to Maximize Employee Retention 30
D. Communications Programs and Materials 30
E. Ongoing Project Management 30
Move Management Services 30
XVI. Move Management Services Pricing 30
XVII. Move Management Services Requirements 31
A. Entitlement and Pre-Move Counseling 31
B. Transportation Service Provider (TSP) Selection 31
C. Ordering TSP Services 31
D. Cost Estimates 31
E. Coordination of the Transportation and Storage of Goods 32
F. Quality Control and Service Performance Audit 32

G. Claims Preparation, Filing, and Settlement Assistance 32
H. Prepayment Audit 32
I. Submission of Invoices to GSA's Postpayment Audit Division 32
J. TSP Payment 32
K. Move Management Reports 33
Property Management Services 33
XVIII. Property Management Services Pricing 33
XIX. Property Management Services Requirements 33
A. Prepare a Property Management Agreement with employee 33
B. Provide rental market analysis to establish appropriate monthly rent value 33
C. Coordinate marketing strategy utilizing available methods of advertising, including MLS (multiple listing service) where applicable 33
D. Assist in prospective tenant application process, including tenant screening, pre- qualification 33
E. Provide lease procurement and negotiation assistance 33
F. Administer rent collection process on monthly schedule for tenant occupied properties 33
G. Establish set monthly expense requirements with employee, which may include mortgage, tax, insurance, utilities, and maintenance payment management 34
H. Coordinate and dispatch service for requested or required maintenance workorders to the property, including routine or emergency service requests 34
I. Maintain operating reserve account of employee funds to cover monthlyexpenses in addition to emergency reserve allowance 34
J. Validate and process payment of property expenses 34
K. Coordinate property inspections (site evaluations), including employee move-out; tenant move-in; tenant move-out; employee move-in; and routine (quarterly) tenant occupied or bi-weekly vacant property evaluations 34
L. Provide monthly employee ledger statements of account including incomeand expenses for the period 34
M. Provide year-end account summary, in addition to 1099-MISC preparation for employee tax assistance 34
N. Coordinate and assist employee with potential tenant lease default, including non- financial coordination of eviction processes where requested 34
O. Assist employee in employee return procedure, including account reconciliation at conclusion of relocation term 35
Relocation Services (Additional) 35
XX. Relocation Services (Additional) Pricing & Requirements 35
Definitions 35

Employee Relocation Overview & General Requirements

I. References

1. Worldwide ERC® Appraisal Form and homeowner disclosure statement shall be used in conjunction with applicable relocation homesale service. (http://www.worldwideerc.org)
2. Internal Revenue Service Revenue Ruling 2005-74 as referenced in IRS Revenue Bulletin 2005-51.

II. Notice to Contractors

- Contractors offering relocation homesale services under this Schedule contract shall adhere to the criteria listed in IRS Revenue Ruling 2005-74 for nontaxable status of homesale expenses and service fees. If the Contractor's homesale procedures are not structured in compliance with IRS Revenue Ruling 2005-74, then it is incumbent upon the Contractor to notify the ordering agency when responding to solicitations for services and/or prior to accepting a task order.
- Contractors or Contractor supply network providers offering a referral rebate program for any portion of the departure or destination services, where the Government reimburses or covers the cost of sales commissions paid to a real estate broker, Contractors or Contractor supply network providers must alert the employee that the rebate funds must be remitted to the Government. The employee may not receive a referral benefit on an item for which the Government pays a reimbursement benefit.

III. SINs, NAICS & Services

Employee Relocation Services-OPEN TO ALL SOURCES.

SIN 531 includes NAICS:

- 531210 - Offices of Real Estate Agents and Brokers
- 531390 - Other Activities Related to Real Estate

For reporting purposes and Industrial Funding Fee (IFF) calculation, SIN 531 shall be reported in terms of total sales and transaction count if applicable as defined in the following two sections of this Requirements document: Sections VI Industrial Funding Fee and XI Reporting.

The General Services Administration (GSA) has had the pleasure of offering employee relocation through its GSA Schedule program since 1992, leveraging the Government's purchasing power by soliciting for employee relocation services on a commercial basis to the maximum extent practicable. Services include, but are not limited to:

- Homesale Services
- Group Move Services
- Move Management Services
- Property Management Services
- Relocation Services (Additional), *e.g.*, cost of living analysis, closing assistance, expense management, rental management, entitlement counseling, international move assistance

The Contractor is encouraged to provide the full continuum of relocation services as detailed in the Requirements document. Relocation services shall be made available to eligible employees of an ordering agency according to individual agency policy. Eligible employees may use any or all of the services for which they are eligible and authorized. However, employees, upon authorization into the program by their agency, may not use both the homesale services and property management services simultaneously.

Employees whose residence is ineligible for homesale services and employees who do not have a residence to sell may be eligible for all other services under this contract. Determination of an employee's eligibility to participate in any part of the program is solely the responsibility of the ordering agency and shall not be subject to dispute.

IV. Quality Control

For all services and SINs, the Contractor shall maintain a system of quality control and correction of inferior performance that provides:

- Prompt response to employee service requests, questions and concerns. In particular, the Government requires that the Contractor demonstrate a high level of concern for and understanding of the relocating employee's personal concerns, time schedule and desire for personalized assistance (e.g., appraisal appeal/reevaluation process) and coordinate the various services selected for the employee.
- Prompt notification to the Government of problems, failure to meet required timeframes, other contract requirements and other concerns or suggestions that will enhance service and/or reduce cost.
- The Contractor shall administer the GSA Homesale Survey process upon acquisition of homesale transactions. The link and guidelines used for this satisfaction survey will be provided by the GSA Program Office (ERRC).

V. Services Outside the Scope of Contract

If the Contractor customarily provides other relocation services to the transferee not at the expense of the Government, the Contractor may advise the Government employee of these services and costs. The Contractor must inform the employee that such services are outside the scope of the ordering agency's BPA or task order; that the employee is solely obligated for the expenses, that the Government does not endorse the use of those services and that the Government has not determined the prices charged to be fair and reasonable. The Government will not be billed for these services.

All services are to be provided in accordance with the Federal Travel Regulation (FTR) (Relocation Policy/FTR), and are to follow industry-accepted Worldwide ERC© most current appraisal form and guidelines for relocation appraising and buyer-value/amended value programs. Where Worldwide ERC© guidelines conflict, the contract shall prevail.

VI. Industrial Funding Fee & Homesale Transaction Fee

The current Industrial Funding Fee (IFF) is 0.75% as identified in GSAR 552.238-80.

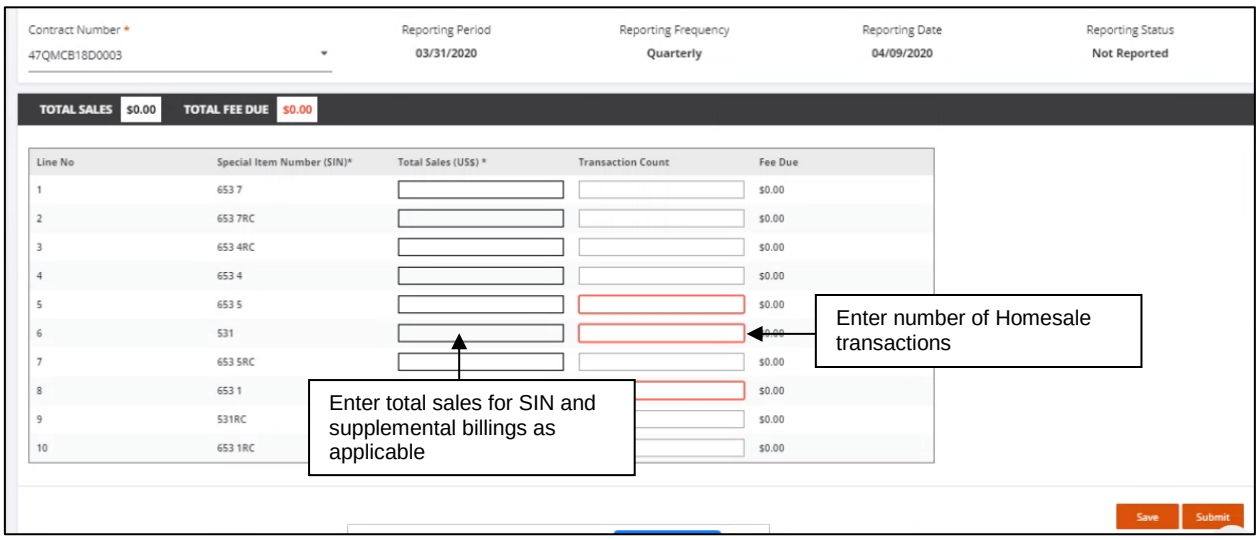
Additionally, for completed homesale transactions, the Contractor will remit an additional $325 per transaction for homesales completed during the reporting period (the "Homesale Transaction Fee"). The Homesale Transaction Fee is reported by calendar quarter and due at the same time as the 0.75% IFF in accordance with GSAR 552.238-80, Alternate I.

The transactional fee represents a set fee per transaction. This fee is set at the discretion of GSA, who has the unilateral right to change the fee at any time. The transactional fee covers an additional level of service that is provided by GSA to the Contractor.

The Homesale Transaction Fee is applied when an employee's home is sold utilizing the following transaction types in accordance with this Requirements document for:

- Buyer Value Option Transaction
- Amended Value or Amend-from-Zero Transaction
- Special Handling Transaction
- Appraised Value Transaction

For reporting and IFF calculation purposes, the number of homesale transactions invoiced to the agency during a reporting period must be reported under SIN 531 in the "Transaction Count" field in the Sales Reporting Portal. The $325 fee plus the current IFF applies. One $325 fee must be paid per homesale transaction. If a supplemental billing to the agency occurs, e.g., sale fall-through reverting to appraised value fee, then any supplemental charges must be reported under the field "Total Sales (US$)" in which the standard IFF applies and not the additional $325 fee.



VII. Scope

The Contractor shall: Provide a full range of services necessary to satisfy ordering agencies' employee relocation requirements. The Government is seeking services that industry normally accords to commercial customers to the maximum extent practicable. Be capable of providing services for ordering agencies with multiple organizational levels and geographic locations nationwide and/or worldwide as specified in the Scope of the Contract. Be capable of handling multiple task orders simultaneously.

VIII. Interpretation of Task Orders

Any interpretation of the agency task order shall first be referred to the agency program manager or Contracting Officer Representative (COR). If unresolved, the issues shall then be referred to the agency contracting officer. Issues that remain open pertaining to policies should be escalated by the ordering agency to the Employee Relocation Resource Center (ERRC) Program Management Office at GSA. Any issues pertaining to interpretation of the GSA Schedule contract shall be referred to the GSA Contracting Officer.

IX. Data Communications Capabilities

The Contractor shall provide a capability for electronic transmission of relocation service authorizations, on-line access to Contractor's database and electronic message transmission. Access to the Contractor's database is limited to viewing relocation services of the acquiring agency. No data will be allowed to be manipulated at any time. The Contractor shall establish sufficient safeguards to prevent unauthorized access. The Contractor's database must contain, but not necessarily be limited to, property information and information sufficient to generate the required reports. The on-line system must allow the exchange of information between the agency and the Contractor (i.e., on-line authorization, on- line inquiry and on-line message system). Agencies must have access to all information regarding the relocation services provided to employees, including, but not limited to, conversations/counseling sessions between the Contractor and the employee, and on-line billing information.

X. Correspondence

The Contracting Officer may require the Contractor to provide copies of all correspondence and documentation regarding the relocation of any federal employee obtaining services under this contract. Any such copies will be provided to the Government at no cost. The agency may request such correspondence and documentation with respect to any relocated employee of the agency who obtained services under this contract.

XI. Reporting Requirements

The Contractor shall:

1. Provide all reports (web based, electronically, hardcopy or as requested) on contract usage that are offered commercially.
2. Include all transactional information paid by all forms of payment, including but not limited to, the Government Purchase Card, in all reports under its contract.
3. Identify commercial reports that are available to enhance an agency's ability to manage its employee

relocation program. The Contractor shall provide reliable management reports to each participating agency as requested. These reports may be used to support billing to the agency and must present detailed transaction data, such as, name of employee, length of time the property is in inventory, itemized services provided, etc. Agencies may establish different format and data requirements.

4. Provide a report that details each ordering agency's employee relocation expenditures for the given report period by employee (may list as transaction code rather than by employee name and provide a cumulative total across all agencies serviced, including a synopsis of each effort.
5. Use the reporting template provided by the GSA Program Office (Employee Relocation Resource Center). This expenditure report must support the IFF reported for the quarter.
6. Frequency. Reports are due quarterly in accordance with the following schedule.

Service Provided Between	Services Report Due to GSA By
January 1 and March 31	April 30
April 1 and June 30	July 30
July 1 and September 30	October 30
October 1 and December 31	January 30

7. Submission Instructions.

- The information shall be provided in an electronic commercial format using the reporting template provided by the program office
- The report shall be:
  - Uploaded into the Sales Reporting Portal (SRP) https://srp.fas.gsa.gov/ **as an attachment** to the Contractor's quarterly IFF and sales reporting. **AND**
  - E-mailed to relocation.programs@gsa.gov

    The Email Subject Line must read: Quarterly Employee Relocation Services Report, by Agency

    The Email content must include:
    - GSA Contract Number;
    - Company's Name; and
    - The Special Item Number (SIN)

8. **Data Fields**. The following data fields to be reported are in the same Excel Workbook on different tabs:

Service	SIN	Data Elements
Homesale	531	1. Agency Unique Identifier (Numeric Code assigned to an agency/bureau, as provided by GSA ERRC Program Office) 2. Agency Name 3. Transaction or File Number 4. Pricing Option (1,2,3 or 4) 5. Transaction Type (Appraised (APV), Amended (AMV), Amend-from-Zero (AZO), Special Handling (SH), Buyer Value Option (BVO), Cancel or Reject) 6. Departure Residence Zip Code 7. Destination Residence Zip Code – Use new office zip if residence unknown 8. Home Value (Homesale Offer Amount) 9. Fee Charged (percentage or flat fee) 10. Invoice Date

Additional Services (Group Move Services, Property Management, Relocation Expense Mgmt)	531	1. Agency Unique Identifier (Numeric Code assigned to an agency/bureau, as provided by GSA ERRC Program Office) 2. Agency Name 3. Transaction or File Number 4. Service Type (i.e. Group Move Services, Entitlement Counseling, Expense Mgmt, etc.). For Property Management Service; Enter either Leasing Fee – New Tenant, Leasing Fee – Renewal Tenant or Property Management Service Fee for each charge, as applicable. 5. Departure Residence Zip Code 6. Destination Residence Zip Code – use new office zip if residence is unknown 7. Invoice Date
Move Management	531	1. Agency Identifier Code (Numeric code assigned to an agency/bureau, provided by GSA) 2. Agency Acronym 3. Transaction File Number 4. TSP Name 5. TSP SCAC 6. CHAMP Bill of Lading Identifier 7. Origin Zip for all USA states and territories or country name 8. Destination Zip for all USA States and Territories or country name 9. Shipment weight 10. Delivery Date 11. Service (HHG, POV, SIT, EXT, UAB, MMF) 12. Charge for Service 13. Invoice Date

9. **BPA/Task Order Award Notification**: The Contractor shall provide notification of any agency task orders or BPA awards to GSA. The Contractor is required to use the reporting template provided by the GSA Program Office (Employee Relocation Resource Center). This notification shall be sent to relocation.programs@gsa.gov.

10. **Failure to Submit Reports**: The failure to submit a report in two (2) consecutive quarters and or three (3) of four (4) quarters may result in negative evaluation when considering performance rating for renewing options and may result in termination of the Contract. Contractors with contracts on file for all Homesale Services **are required to submit a report even if no services were provided during the quarter**.

11. **Fraudulent Use:** The Contractor shall provide the GSA Contracting Officer a quarterly report listing any suspected fraudulent use of its contract by authorized or unauthorized users (e.g. using the contract for personal use vs. official Government purposes). Contractors may report suspected fraudulent use to the GSA Contracting Officer at any time.

    The Contractor shall include such information that would identify the possible fraud that occurred. The information, if applicable, should include the name of the agency, account number if applicable, name and address of account, point of contact and phone number for the account, billing and payment information, the reason why it suspects fraudulent use, and any action taken by the Contractor. The Contractor shall provide any other additional relevant information. The Fraudulent Use report information section is included in the required expenditure reporting template provided by the program office.

Homesale Services

XII. Homesale Services Pricing

GSA seeks pricing based on commercial practices to the extent practicable, factoring into consideration that indemnification allowed under commercial programs is not applicable to Federal fixed percentage rate homesale programs. GSA recognizes that Contractor acts as a service integrator and utilizes a network of independent service providers to deliver many of the services described within the Requirements document. In connection with its use of these independent service providers, the Contractor collects referral fees, marketing fees, service fees

and volume discounts from such suppliers. These referral fees, marketing fees, service fees and volume discounts are negotiated with suppliers based on the overall volume of business that the Contractor refers to these suppliers from across its client base and, in some cases, services that Contractor performs to facilitate the supplier's delivery process (e.g., providing software for reporting). Via the Schedule, GSA offers pricing options that enable the Contractor to factor revenue from suppliers into the pricing extended to the Government. To verify the extent to which such supplier revenues are factored into pricing, GSA may request the Contractor to supply information relating to its supplier network revenue arrangements as part of the evaluation process.

Fees may be expressed as a percent of the home's value as determined by the appraised value offer or amended value/buyer value offer. Flat Fees ($ Per Transaction) will be allowed for lowest home value range ($0- $99,999).

See the Employee Relocation Solution Pricing Template.

A. Appraised Value and Amended Value Transactions: Full Choice Homesale with Mortgage Payoff (Pricing Option 1)

Includes the following elements:

- Employee has choice of real estate agent in both old and new locations;
- Employee may have listed home previously via a "For Sale by Owner" or other listing arrangement;
- Appraisals are performed upon Authorization;
- Employee will select from a list of Contractor approved Designated Certified Appraisers provided by Contractor, or present for consideration an "off-list" appraiser(s) that is qualified using Contractors same qualification standards, to perform a relocation appraisal. Contractor shall have up to 10 work days to approve or disapprove the employee's requested appraiser(s). If a requested appraiser is not allowed, the Contractor must notify the agency with an explanation;
- Appraised Value Offer Period is for a period of 60 days, but may be increased up to 90 days by the ordering agency;
- Employee may accept Appraised Value Offer at any time during offer period;
- Mortgage Payoff and title transfer to Contractor is required within 31 calendar days of acquiring a property via an appraised value transaction. For Amended Value and Amend-from-Zero transactions, Contractor is required to pay-off the mortgage and transfer title within 60 calendar days of acquiring the property or upon the closing with the outside buyer, whichever is sooner. Should the Amended Value transaction or Amend-from-Zero transaction fall through before the 60 calendar days, the Relocation Contractor shall immediately pay off the mortgage loan(s) and take title;
- Employee has the option to work with an approved real estate service provider in the new location selected by the Contractor. If the employee declines to work with a real estate service provider referred by the Contractor, the employee may not be eligible for other destination services, indicated below, depending on the terms of the agreement between the ordering agency and Contractor;
- Employee mortgage counseling for new home purchase not required; and
- Employee has choice of mortgage supplier.

B. Appraised Value and Amended Value Transactions: Full Choice Homesale with Delayed Mortgage Payoff (Pricing Option 2)

Includes the following elements:

- Employee has choice of real estate agent in old and new location;
- Employee may have listed home previously via a "For Sale by Owner" or other listing arrangement;
- Appraisals are performed upon Authorization;
- Employee will select from a list of Contractor approved Designated Certified Appraisers provided by Contractor, or present for consideration an "off-list" appraiser that is qualified using Contractors same qualification standards, to perform a relocation appraisal. Contractor shall have up to 10 work days to approve or disapprove the employee's requested appraiser(s). If a requested appraiser is not allowed, the Contractor must notify the agency with an explanation;
- Appraised Value Offer Period is for a period of 60 calendar days, but may be increased up to 90 days by the ordering agency;
- Employee may accept Appraised Value Offer at any time during Offer Period;
- Employee has the option to work with an approved real estate service provider in the new location selected by the Contractor. If the employee declines to work with a real estate service provider referred by the Contractor, the employee may not be eligible for other destination services, indicated below, depending on the terms of the agreement between the ordering agency and Contractor;
- Employee mortgage counseling for new home purchase not required;
- Employee has choice of mortgage supplier; and

- Mortgage Payoff is not required at time of acquisition; however, the Contractor is required to take title within a maximum of 150 calendar days from acquiring the property (unless another time frame is agreed upon by task order or BPA); and comply with provisions outlined under Mortgage Servicing. For Amended Value and Amend-from-Zero transactions, Contractor is required to transfer title within a maximum of 150 calendar days of acquiring the property (unless another time frame is agreed upon by task order or BPA); or upon the closing with the outside buyer, whichever is sooner.

C. Appraised Value and Amended Value Transactions: Managed Homesale with Mortgage Payoff (Pricing Option 3)

Includes the following elements:

- Employee is REQUIRED to use a Contractor recommended real estate agent in BOTH old and new locations (if employee opts to purchase in the destination area within six (6) months of closing on the home in the origin location);
- Home must NOT have been listed previously by the employee with another agent or as a “For Sale by Owner” within the last six (6) months unless the Contractor waives this requirement;
- Appraisals may be delayed for up to 30 days from date of Authorization. Pricing provided, however, should assume appraisals are not delayed; discount from the maximum fixed percentage rate, if any, should be specified in the appropriate section below;
- Employee will select from a list of Contractor approved Designated Certified Appraisers provided by Contractor, or present for consideration an "off-list" appraiser that is qualified using Contractors same qualification standards, to perform a relocation appraisal. Contractor shall have up to 10 work days to approve or disapprove the employee's requested appraiser(s). If a requested appraiser is not allowed, the Contractor must notify the agency with an explanation;
- The employee list price must be capped at 105% of the average of two Broker Market Analysis’s most likely sales price until employee receives the Appraised Value offer. Within two days of receiving the Appraised Value offer, the list price must be capped at 105% of the Appraised Value offer. The only exception is for employees requesting a reevaluation of appraisal(s). Once the reevaluation request is received back from appraiser(s), the list price must be capped at the Appraised Value offer;
- Mandatory Marketing Period will be a minimum of 60 calendar days prior to acceptance of Appraised Value Offer;
- Appraised Value Offer Period is for a period of 60 calendar days, but may be increased up to 90 days by the ordering agency;
- All buyer offers received by employee must be presented to Contractor and upon agreement between Contractor and agency, the Contractor has the right to accept buyer offers lower than Appraised Value Offer (in which case, employee may accept the Contractor’s Appraised Value Offer and the Contractor may charge the ordering agency fees at the contracted Amended Value rates as agreed upon in the BPA or task order);
- Employee mortgage counseling for new home purchase required;
- Employee has choice of mortgage supplier; and
- Mortgage Payoff and title transfer to Contractor is required within 31 calendar days of acquiring a property via an appraised value transaction. For Amended Value and Amend-from-Zero transactions, Contractor is required to pay-off the mortgage and transfer title within 60 calendar days of acquiring the property or upon the closing with the outside buyer, whichever is sooner. Should the Amended Value transaction or Amend-from-Zero transaction fall through before the 60 calendar days, the Contractor shall immediately pay off the mortgage loan(s) and take title.

D. Appraised Value and Amended Value Transactions: Managed Homesale with Delayed Mortgage Payoff (Pricing Option 4)

Includes the following elements:

- Employee is REQUIRED to use a Contractor recommended real estate agent in BOTH old and new locations (if employee opts to purchase in the destination area within six (6) months of closing on the home in the origin location);
- Home must NOT have been listed previously by the employee with another agent or as a “For Sale by Owner” within the last six (6) months unless the Contractor waives this requirement;
- Appraisals may be delayed for up to 30 days from date of Authorization. Pricing provided, however, should assume appraisals are not delayed; discount from the maximum fixed percentage rate, if any, should be specified in the appropriate section below;
- Employee will select from a list of Contractor approved Designated Certified Appraisers provided by Contractor, or present for consideration an "off-list" appraiser that is qualified using Contractors same qualification standards, to perform a relocation appraisal. Contractor shall have up to 10 work days to

approve or disapprove the employee's requested appraiser(s). If a requested appraiser is not allowed, the Contractor must notify the agency with an explanation;

- The employee list price must be capped at 105% of the average of two Broker Market Analysis's most likely sales price, until they receive the Appraised Value offer. Within two days of receiving the Appraised Value offer, the list price must be capped at 105% of the Appraised Value offer. The only exception is for employees requesting a reevaluation of appraisal(s). Once the reevaluation request is received back from appraiser(s), the list price must be capped at the Appraised Value offer;
- Mandatory Marketing Period will be a minimum of 60 calendar days prior to acceptance of Appraised Value Offer;
- Appraised Value Offer Period is for a period of 60 calendar days, but may be increased up to 90 days by the ordering agency;
- All buyer offers received by employee must be presented to Contractor and upon agreement between Contractor and agency, the Contractor has the right to accept buyer offers lower than Appraised Value Offer (in which case, employee may accept the Contractor's Appraised Value Offer and the Contractor may charge the ordering agency fees at the contracted Amended Value rates as agreed upon in the BPA or task order);
- Employee mortgage counseling for new home purchase required;
- Employee has choice of mortgage supplier; and
- Mortgage Payoff is not required at time of acquisition; however, the Contractor is required to take title within a maximum of 150 calendar days from acquiring the property (unless another time frame is agreed upon by task order or BPA); and comply with provisions outlined under Mortgage Servicing. For Amended Value and Amend-from-Zero sale transactions, Contractor is required to transfer title within a maximum of 150 calendar days of acquiring the property (unless another time frame is agreed upon by task order or BPA); or upon the closing with the outside buyer, whichever is sooner.

E. Buyer Value Option Transactions (BVO): Full Choice Homesale with Mortgage Payoff (Pricing Option 1)

Includes the following elements:

- Employee has choice of real estate agent in old and new location;
- Employee may have listed home previously via a "For Sale by Owner" or other listing arrangement;
- Employee has the option to work with an approved real estate service provider in the new location selected by the Contractor. If the employee declines to work with a real estate service provider referred by the Contractor, the employee may not be eligible for other destination services, indicated below, depending on the terms of the agreement between the ordering agency and Contractor;
- Employee mortgage counseling for new home purchase not required;
- Employee has choice of mortgage supplier; and
- Mortgage Payoff and transfer of title is required for Buyer Value Option transactions upon closing of BVO sale or within 60 calendar days of acquiring the property, whichever is sooner. If sale to the outside buyer falls through, Mortgage Payoff is required within 31 calendar days of acquisition into inventory.

F. Buyer Value Option Transactions (BVO): Full Choice Homesale with Delayed Mortgage Payoff (Pricing Option 2)

Includes the following elements:

- Employee has choice of real estate agent in old and new location;
- Employee may have listed home previously via a "For Sale by Owner" or other listing arrangement;
- Employee has the option to work with an approved real estate service provider in the new location selected by the Contractor. If the employee declines to work with a real estate service provider referred by the Contractor, the employee may not be eligible for other destination services, indicated below, depending on the terms of the agreement between the ordering agency and Contractor;
- Employee mortgage counseling for new home purchase not required;
- Employee has choice of mortgage supplier; and
- If the sale to the outside buyer falls through, Mortgage Payoff will not be required at time of acquisition, however, the Contractor shall be required to comply with provisions outlined under Mortgage Servicing, including transferring title within 150 calendar days of acquiring, unless another timeframe is agreed to by task order or BPA.

G. Buyer Value Option Transactions (BVO): Managed Homesale with Mortgage Payoff (Pricing Option 3)

Includes the following elements:

- Employee is REQUIRED to use a Contractor recommended real estate agent in both old and new locations;
- Employee list price not to exceed 105% of Broker Market Analysis's most likely sale price;
- Employee mortgage counseling for new home purchase required;
- Employee has choice of mortgage supplier; and
- Mortgage Payoff and transfer of title is required for Buyer Value Option transactions upon closing of BVO sale or within 60 calendar days of acquiring the property, whichever is sooner. If sale to the outside buyer falls through, Mortgage Payoff is required within 31 calendar days of acquisition into inventory.

H. Buyer Value Option Transactions (BVO): Managed Homesale with Delayed Mortgage Payoff (Pricing Option 4)

Includes the following elements:

- Employee is REQUIRED to use a Contractor recommended real estate agent in both old and new locations;
- Employee list price not to exceed 105% of Broker Market Analysis's most likely sales price;
- Employee mortgage counseling for new home purchase required;
- Employee has choice of mortgage supplier; and
- If sale to outside buyer falls through, Mortgage Payoff will not be required at time of acquisition, however, the Contractor shall be required to comply with provisions outlined under Mortgage Servicing, including transferring title within 150 calendar days of acquiring, unless another timeframe is agreed to by task order or BPA.

For BVO Pricing Options 1-4 described above, the following two sub-categories apply:

1. **Standard BVO:** If the sale with the buyer falls-through, meaning it does not result in a completed sale at no fault to the Contractor, the transaction may revert to an Appraised Value transaction fee for purposes of payment. The Contractor shall document the circumstances that resulted in the fall-through to the agency representative within 3 work days supported by pertinent documentation, such as the lender's denial letter. If the Contractor has not acquired the property from the employee at the time the sale falls through, the employee shall continue to market the home for the remainder of the marketing period. If the home is ultimately sold to the original buyer but on terms and conditions different from the original offer, the transaction service fee maybe charged as:
    - Appraised Value transaction fee; or
    - Upon approval by the agency, the Contractor and agency may negotiate a fee that is greater than the agreed upon BVO fee but less than the agreed upon Appraised Value transaction fee. This negotiated fee is designed to complete the sale to the original outside buyer incorporating concessions or price reductions that keep the sale together. The fee must be a negotiated percentage and not line item charges to the Contractor. Note: The option on how or when to re-bill a BVO fall-through shouldbe expressly noted in all task orders or BPAs.
2. **BVO Fall-Through No Rebill:** If sale with the buyer falls-through meaning, it does not result in a completed sale at no fault to the Contractor, the Contractor may not bill the agency any additional fees above BVO fee as agreed upon by task order or BPA.

I. Special Handling Transactions: Managed Homesale with Mortgage Payoff (Pricing Option 1)

Includes the following elements:

- Employee is REQUIRED to use a Contractor recommended real estate agent in both old and new locations unless Contractor and agency mutually agree to waive this requirement;
- Home must NOT have been listed previously by the employee with another agent or as a "For Sale by Owner" within the last six (6) months unless the Contractor waives this requirement;
- Appraisals may be delayed for up to 30 days from date of Authorization. Pricing provided, however, should assume appraisals are not delayed; discount from the maximum fixed percentage rate, if any, should be specified in the appropriate section below;
- Employee will select Designated Certified Appraiser from list provided by Contractor; or present for consideration an "off-list" appraiser that is qualified to perform a relocation appraisal. Contractor shall have up to 10 work days to approve or disapprove the employee's requested appraiser(s). If a requested

appraiser is not allowed, the Contractor must notify the agency with an explanation;

- The employee list price must be capped at 105% of the average of two Broker Market Analysis's most likely sales price until employee receives the Appraised Value offer. Within two days of receiving the Appraised Value offer, the list price must be capped at 105% of the Appraised Value offer. The only exception is for employees requesting a reevaluation of appraisal(s). Once the reevaluation request is received back from appraiser(s), the list price must be capped at the Appraised Value offer;
- Mandatory Marketing Period will be a minimum of 60 calendar days prior to acceptance of Appraised Value Offer;
- Appraised Value Offer Period is for a period of 60 calendar days, but may be increased up to 90 days by the ordering agency;
- All buyer offers received by employee must be presented to Contractor and upon agreement between Contractor and agency the Contractor has the right to accept buyer offer lower than Appraised Value Offer (in which case, employee may accept the Contractor's Appraised Value Offer and the Contractor may charge the ordering agency fees at the contracted Amended Value rates as agreed upon in the BPA or task order);
- Employee mortgage counseling for new home purchase required;
- Employee has choice of mortgage supplier; and
- Mortgage Payoff and transfer of title is required within 31 calendar days of acquiring a property via an appraised value transaction. For Amended Value transactions, Contractor is required to pay-off the mortgage and transfer title within 60 calendar days of acquiring the property or upon the closing with the outside buyer, whichever is sooner. Should the Amended Value transaction fall through before the 60 calendar days, the Relocation Contractor shall immediately pay off the mortgage loan(s) and take title.

J. Special Handling Transactions: Managed Homesale with Delayed Mortgage Payoff (Pricing Option 2)

Includes the following elements:

- Employee is REQUIRED to use a Contractor recommended real estate agent in both old and new locations unless Contractor and agency mutually agree to waive this requirement;
- Home must NOT have been listed previously by the employee with another agent or as a "For Sale by Owner" within the last six (6) months unless the Contractor waives this requirement ;
- Appraisals may be delayed for up to 30 days from date of Authorization. Pricing provided, however, should assume appraisals are not delayed; discount from the maximum fixed percentage rate, if any, should be specified in the appropriate section below;
- Employee will select Designated Certified Appraiser from list provided by Contractor; or present for consideration an "off-list" appraiser that is qualified to perform a relocation appraisal. Contractor shall have up to 10 work days to approve or disapprove the employee's requested appraiser(s). If a requested appraiser is not allowed, the Contractor must notify the agency with an explanation;
- The employee list price must be capped at 105% of the average of two Broker Market Analysis's most likely sales price until employee receives the Appraised Value offer. Within two days of receiving the Appraised Value offer, the list price must be capped at 105% of the Appraised Value offer. The only exception is for employees requesting a reevaluation of appraisal(s). Once the reevaluation request is received back from appraiser(s), the list price must be capped at the Appraised Value offer. Mandatory Marketing Period will be a minimum of 60 calendar days prior to acceptance of Appraised Value Offer;
- Mandatory Marketing Period will be a minimum of 60 calendar days prior to acceptance of Appraised Value Offer;
- Appraised Value Offer Period is for a period of 60 calendar days, but may be increased up to 90 days by the ordering agency;
- All buyer offers received by employee must be presented to Contractor and upon agreement between Contractor and agency the Contractor has the right to accept buyer offer lower than Appraised Value Offer (in which case, employee may accept the Contractor's Appraised Value Offer and the Contractor may charge the ordering agency fees at the contracted Amended Value rates as agreed upon in the BPA or task order);
- Employee mortgage counseling for new home purchase required;
- Employee has choice of mortgage supplier; and
- Mortgage Payoff is not required at time of acquisition; however, the Contractor is required to take title within a maximum of 150 calendar days from acquiring the property (unless another time frame is agreed upon by task order or BPA); and comply with provisions outlined under Mortgage Servicing. For Amended Value and Amend-from-Zero transactions, Contractor is required to transfer title within a maximum of 150 calendar days of acquiring the property (unless another time frame is agreed upon by task order or BPA); or upon the closing with the outside buyer, whichever is sooner.

XIII. Homesale Services Requirements

A. Eligibility

To be eligible for participation under this contract, the property must meet requirements as defined in Home and must be owned by the employee and/or immediate family member(s) as defined in Employee's Immediate Family, both terms of which are listed in the Definitions appendix. If a home would be subject to pro rata reimbursement under FTR part 302.11 were the employee to sell the residence under the Direct Reimbursement method, the employee will be eligible for Homesale Services only if all owners satisfy the Government and the Contractor of their willingness and ability to pay their proportional shares of the contract cost directly to the Contractor. The proportions shall be determined under rules governing reimbursement of residence transactions expenses contained in FTR part 302.11.

The following properties do not qualify for Homesale Services:

- Mobile homes (as defined herein)
- Cooperative apartments
- Houseboats
- Non-residential properties converted into homes (i.e.; churches, schools, or other commercial buildings)
- Homes not insurable by national or local insurer (as defined herein)
- Homes that cannot be financed by national or local lenders (as defined herein)
- Homes that cannot be appraised or marketed
- Includes homes in remote or inaccessible locations where either no comparable sales exist or no sales have occurred in the 12 months preceding the date of the first appraisal or are otherwise considered unmarketable. Determining such must be supported by objective documentation of contributing factors and the Contractor may refer such homes for Special Handling
- Homes under construction or undergoing substantial renovations
- Homes without potable water systems or adequate sewer/septic systems. Support regarding this determination should be in accordance with the subject property's governing jurisdiction laws, guidelines or codes
- Homes not in compliance with State and local codes in effect at the time the home would be entered into the homesale services program
- Includes homes with non-compliant conditions that cannot be corrected in accordance with procedures in this Requirements document
- Homes with toxic substances or other contamination as determined through the Disclosure Statement and/or Professional Inspection
- Includes homes that have undergone inspection for contamination by toxic or hazardous substances and have been determined to be contaminated by toxic or hazardous substances or conditions (e.g., UFFI, radon gas, friable asbestos insulation, lead paint, properties used in the making and/or distributing of
- meth-amphetamines and toxic mold). (Contractor must provide GSA and the ordering agency with a list of conditions or substances that fall within the Contractor's definition of "toxic or hazardous substances" prior to accepting a task order or signing a BPA.) A property identified as having Exterior Insulation and Finishing Systems (EIFS), Synthetic Stucco or other veneer sidings may be inspected or tested by the Contractor for proper installation and/or moisture damage prior to acceptance into the homesale program.
- Homes near underground storage tanks or toxic waste sites may be inspected for evidence of seepage
- Homes that have been determined through a professional inspection to have defects that have not been addressed or remediated as outlined in the Home Inspections and Inspection Criteria section below

Other Exclusions and Restrictions:

- Homes, if rented to a Tenant, must be vacated by Tenant prior to the employee's acceptance of the Contractor's offer
- Homes where the mineral rights will be retained by the employee and severed from the land with the transfer of ownership. Homes where the employee purchased the home with mineral rights already severed, **are** eligible for homesale
- Homes with utility services discontinued or shut off. Homes must have utilities on and paid current in accordance to the Contractor's operational procedures for the property to be satisfactorily inspected and marketed
- Homes with deficit equity situations where the lender will not approve a short sale, or the employee cannot pay the deficit equity funds
- Homes with land in excess of that which reasonably relates to the residence site and is typical and

customary for the area are eligible for the program; however, the Government will pay only the proportional share of the contract price that reasonably relates to the residence site. The agency and the Contractor shall determine the amount of land that reasonably relates to the residence site, based on the nature of the property in question and the prevailing conditions in the market for such property in the area

The employee will not be eligible for Homesale Services provisions of this contract if the Contractor cannot reach settlement with the employee within the timeframes established in the FTR Section for reimbursement of residence transaction expenses. The ordering agency will reimburse the Contractor for acquisition expenses incurred on the employee's behalf not to exceed $7,000 or other amount as agreed upon by the ordering agency and Contractor and specified in the BPA or contract.

In some instances, as specified in the BPA and by mutual agreement of the Contractor and the agency, ineligible homes may be eligible as either a Special Handling or Appraised Value transaction. Examples may include:

- Homes with Appraised Values in excess of $1,000,000
- Homes in remote areas (greater than 10 miles from the nearest incorporated town) or homes not accessible by automobile throughout the year or that require use of boats, airplanes or specially equipped automobiles to access the property
- Homes with lot sizes that are uncommon for the area (e.g., lots in excess 5 acres in a metropolitan area), income producing properties, and other situations where the employee is authorized relocation allowances on a pro rata basis (duplex or other multi-family residential dwellings)
- Homes with repair requirements in excess of 5% of the property value as determined by the Broker's Market Analysis (BMA) ordered by Contractor
- Homes where the owner is in foreclosure
- Homes with unique attributes or features highly unusual for the market, e.g. houseboats, earth-bermed homes, homes with alternative energy systems, mobile and modular homes, geodesic homes, etc.

Specific Contractor criteria for Special Handling referral should be identified to GSA and to ordering agencies. Prior agreement between the Contractor and agency is required before a property would be handled in this manner and alternative pricing typically applies. Contractor must refer a home for Special Handling PRIOR to extending the Appraised Value Offer. Contractor must supply documentation to support Special Handling pricing. If the Contractor refers a property for Special Handling and the agency declines that referral, the Contractor may opt to decline to provide Homesale Services for that home and may invoice the ordering agency for reimbursement of actual costs incurred to- date.

B. Home Marketing Assistance

Under all pricing options for which the Contractor submits a bid, the Contractor shall provide assistance to an employee who wishes to sell his/her home at the old duty station either independent of or in conjunction with the Homesale Service if requested by the Government. Marketing assistance shall include:

- Development of a marketing strategy, suggested list price and probable selling price and terms, employee home disclosure responsibility and requirements. Marketing strategies, recommendations and advice furnished by the Contractor shall be provided in writing to the employee within two (2) weeks of the initial Broker Market Analysis and monthly thereafter until the property is under contract or acquired. Verbal counseling and written market strategies should include a suggested list price and some or all of the following:
    - Recommendations for repairs or improvements to enhance marketability
    - Recommendation of a listing agent, if requested or required by pricing option for which the agency contracts
    - Advice on managing and working with a listing agent
    - Alert to employee if short sales and foreclosures may impact the probable sales price
    - Advice on negotiating with potential buyers and evaluation of offers
    - Provision of toll-free telephone lines that may be used by employees to facilitate the above services

The employee must first be assigned to a Contractor via Authorization by the agency and participate in counseling by the Contractor to be eligible for the Homesale Services portion of this contract. Before the employee is enrolled in the homesale program, the Contractor shall confirm with the employee that he/she has been notified by the agency of the ordering agency's specific requirements and contractual obligations regarding optional or mandatory use of the Contractor's Home Marketing Assistance program.

Under the Full Choice Homesale Pricing Options, the Contractor shall advise the employee that he/she may elect to enter into a listing agreement with a real estate agent from the list supplied by the Contractor or other agent of the employee's choice, but must include an exclusion clause in such listing agreements. Under these pricing options, the home may have been listed previously by the employee with another agent or as a "For Sale by Owner."

Under the Managed Homesale Pricing Options, the Contractor shall advise the employee that he/she must enter into a listing agreement with a real estate agent recommended by the Contractor which will include the exclusion clause as an amendment to that listing agreement. Under these pricing options, the home must NOT have been listed previously by the employee with another agent or as a "For Sale by Owner."

The purpose of the exclusion clause is to protect the employee from paying a real estate commission in the event the property is sold to the Contractor under Appraised, Amended Value, and Amend-from-Zero transactions. It is the employee's responsibility to ensure the exclusion clause is included in a listing agreement. Any listing agreement shall include an "exclusion clause" that is similar to the following:

> Exclusion Clause: "The seller hereby reserves the right to sell the property directly to (Contractor name) at any time and, in such event, to cancel this listing agreement with no obligation for commission or continuation of listing hereafter and to turn over an acceptable written offer there under to (Contractor name) for closing and payment of commission which shall be deemed earned and payable only upon closing of title."

C. Homesale Assistance

As outlined in the Homesale Services Pricing Section of this Requirements document, Contractor will provide separate pricing based on each program pricing option. At a minimum, procedures and requirements vary by pricing option as indicated below. Additional agency-specific terms and conditions may apply to ordering agency blanket purchase agreements or task orders.

Within two (2) work days of the employee's Authorization date, Contractor will contact employee by telephone or email to counsel employee on procedures specific to the terms and conditions of the services contracted by the employee's agency. If the employee cannot be reached within five (5) work days, the Contractor shall notify the agency and continue to attempt to contact the employee in an expeditious manner. The agency may require additional specific items of information to be included in the Contractor's telephone notification by the Contractor to relocating employees of that agency.

Within two (2) work days of the date of the initiation telephone call with the employee, the Contractor will provide the employee information confirming the conversation and providing the employee with copies of all publications pertaining to the relocation program services applicable to the employee. The Government desires "user friendly" brochures and literature that provide accurate guidance and instructions to user. Copies of these publications will be provided, upon request, to the agency at no additional cost. Information to be mailed or sent electronically shall include copies of any disclosure statement(s) required by local, state, or Federal law. If no disclosure statements are required under local, state or Federal law, the Contractor must furnish a standard disclosure statement developed by the Contractor for use under this contract. Information to be mailed or sent electronically shall include a description of the appraisal, title search and inspection procedures the Contractor will use pursuant to this Requirements document.

Full Choice Homesale: During the initial contact, the employee shall be given the Contractor's toll-free telephone number. At this time, the Contractor shall:

- Advise the employee that if he/she elects to use the Homesale Services provided under this contract, he/she is required to sign and return a property condition Disclosure Statement(s) within two (2) work days of receipt and prior to the Contractor ordering appraisals. No appraisals will be ordered until the Contractor receives the required signed Disclosure Statement(s). Contractor shall notify the agency of anticipated delays in the appraisal process resulting from employee failure to return the signed Disclosure Statement(s);
- Explain the Home Marketing Assistance Program to the employee and the employee's roles and responsibilities to participate in marketing the home. Ordering agencies that contract for Homesale Services under Full Choice Homesale Pricing Options may allow employees the option to select real estate agents outside of the Contractor's broker network and may allow employees the option to market their homes or to accept the Appraised Value Offer without participating in the Home Marketing Assistance program;
- Advise the employee that if he/she elects to use the Homesale Services, he/she may, prior to the

appraisals being performed, gather and submit information concerning the home, such as comparable sales and listing information, which the employee feels will affect the value of the home. This information will be furnished in writing by the employee to the appraiser(s) at the time of the appraiser's inspection or beforehand; and

- Advise the employee that homesale market conditions and loan settlement requirements may impact the employee's ability to participate in the Homesale Program and options employee should pursue if he/she anticipates a Negative Equity or Short Sale situation in which his/her loan amount exceeds equity in the home.

Managed Homesale: During the initial contact, the employee shall be given the Contractor's toll-free telephone number. At this time, the Contractor shall:

- Advise the employee that if he/she elects to use the Homesale Services provided under this contract, he/she is required to sign and return a property condition Disclosure Statement(s) within five (5) work days of receipt and prior to the Contractor contacting listing agents. The property cannot be listed until the Contractor receives the required signed Disclosure Statement(s). Contractor will notify the agency of anticipated delays listing the home resulting from employee failure to return the signed Disclosure Statement(s);
- Explain the Home Marketing Assistance Program to the employee and the employee's roles and responsibilities to participate in marketing the home. Ordering agencies that contract for services under Managed Homesale Pricing Options agree to use real estate agents affiliated with brokers from within the Contractor's broker network for both listing the home at the origin and purchasing the home at the destination (if the employee elects to purchase in the Destination within 6 months of accepting the offer from the Contractor);
- Advise employee that homesale market conditions and loan settlement requirements may impact the employee's ability to participate in the Homesale Program and options employee should pursue if he/she anticipates a Negative Equity or Short Sale situation in which his/her loan amount exceeds equity in the home;
- As applicable, advise the employee that he/she is required to participate actively in marketing the home a minimum of 60 calendar days (or other specified Mandatory Marketing Period) before accepting the homesale offer; and
- As applicable, advise the employee on listing price parameters. The employee list price must be capped at 105% of the average of two Broker Market Analysis's most likely sales price until employee receives the Appraised Value offer. Within two days of receiving the Appraised Value offer, the list price must be capped at 105% of the Appraised Value offer. The only exception is for employees requesting a reevaluation of appraisal(s). Once the reevaluation request is received back from appraiser(s), the list price must be capped at 105% of the Appraised Value offer. Advise the employee that if he/she elects to use the Homesale Services, he/she may, prior to the appraisals being performed, gather and submit information concerning the home, such as comparable sales and listing information, which the employee feels will affect the value of the home. This information will be furnished in writing by the employee to the appraiser(s) at the time of the appraiser's inspection or beforehand. If any of the appraisers choose not to use the comparable data provided by the transferee, the appraiser(s) must comment in the written appraisal report on each comparable not used and the reason(s) it was not used.

D. Title Search, Broker Market Analysis, Inspections

After initial counseling with employee, receipt of property disclosures and confirmation that exclusion clause is properly executed, the Contractor may order the following:

- Title search - to confirm the property has clear and marketable title
- A minimum of one (1) Broker's Market Analysis (BMA) if agency contracted for services under Full Choice Homesale or two (2) BMAs if agency contracted for services under Managed Homesale
- Inspections in compliance with Home Inspections and Inspection Criteria section below, from qualified, professional and independent home inspectors

E. Home Inspections and Inspection Criteria

The Contractor may order inspections listed below or as agreed upon in BPA or task order:

- General Home Inspection or a major components inspection

- Pest/Termite inspection shall be ordered on all homes where required by state or local jurisdiction for real estate transactions
- Additional Inspections are limited to those recommended and/or required by the Appraisals, BMA, and general home inspection or if customary or required by state or local codes, safety requirements, laws or common practice for the transfer of property title or homeowner disclosures to buyers in effect at the time the home was built or purchased by the current owner. Includes homes with non-compliant conditions that cannot be corrected in accordance with procedures in this Requirements document that affect obtaining mortgage financing or hazardous or safety issues. The Contractor is required to notify employee and must also notify the agency of all additional inspections and secure consent from employee prior to ordering inspections. If requested by the agency, the Contractor must provide information that supports why the repair is necessary, i.e., due to state or local codes, safety requirements
- A list of major components that will be required by the Contractor to be inspected routinely (e.g., structural inspection, roof, heating/cooling systems, septic system, etc.) may be detailed to the ordering agency in BPAs or task orders

Before any inspections for possible contamination by toxic or hazardous substances are conducted, the employee shall be informed of the nature of the inspections that will be performed and shall give permission to conduct said inspections. Failure to grant permission for inspection(s) within 14 work days of the first documented request will make the home ineligible for the homesale program. An inspector performing an inspection under this contract shall:

- Have no present or future interest in the subject property nor have a relationship which would affect an independent judgment while performing the inspection;
- Not be a Government employee and not be related to the employee or the Contractor by blood or marriage;
- Not have a relationship with the employee or the Contractor (personal or business) that would affect the objectivity and/or independence of the inspection;
- Not have inspected the subject property within the prior six months;
- Have the ability to perform the service in a timely fashion in an effort to enable the Contractor to meet the contract's timeframes;
- Not base his/her fee on a percentage of the appraised value of the property or have said fee contingent on the sale of the property; and,
- Inspector must be licensed as well as certified if applicable in the subject's jurisdiction.

The employee shall be advised that the sole purpose of the inspections is to determine whether the home is in fact eligible for the Homesale Services portion of this contract and that, if it is determined that a condition making the home ineligible exists, the employee shall be afforded an opportunity to repair or remedy the condition prior to the Contractor making an offer. If the independent inspector determines that a condition cannot be corrected, the residence will be ineligible for the Homesale Services program.

Offers may be contingent offers only if those repairs and inspections required as stated herein have not been completed. If the condition is not correctable or if the employee elects not to correct it, the home shall be ineligible for the Homesale Services portion of this contract. Conversely, if the condition(s) is corrected by the employee and a satisfactory re- inspection report(s) is obtained, the Contractor shall be required to accept the home. Employees shall be given a period of 30 work days (from the date the results are presented to employee) to correct all conditions unless an agreed upon dollar amount is to be deducted from the employee's equity. Contractor shall apprise the ordering agency on all instances where an employee is given 30 work days to affect repairs, and the status of the repairs throughout the 30 day period.

Inspections which reveal conditions that make a home ineligible for the Homesale Services portion of this contract, and/or if the conditions require remediation of toxic hazardous substances, the Contractor will notify the employee and the agency of the condition. The employee will have five (5) work days to elect one of the following:

1. Delay receipt of the Appraised Value Offer (the homesale process will be suspended) for up to 30 work days (or up to 60 as agreed by agency and Contractor) of receiving verbal notice from the Contractor, followed up by written notice of the ineligible condition, and correct the condition within the 30 work day period (or up to 60 days as agreed upon by ordering agency and Contractor). In this situation the Contractor may require the appraisals to be updated accordingly to reflect market changes due to the 30- 60 day delay and shall get approval from the ordering agency for the additional expense. The Contractor must offer to assist in obtaining estimates for repairs which shall be provided to the employee for consideration. The completed repairs may be re-inspected by a qualified inspector of the Contractor's choice and approved prior to the

employee's ability to resume the Homesale Services Program. Extensions of the delay period are permitted, up to 60 work days, as agreed upon by ordering agency and Contractor; or

2. Cancel out of the Homesale Services Program. Employee may still be eligible for other relocation services such as managed direct reimbursement programs, at the discretion of ordering agency.

Inspection Repairs for eligible properties: Non-cosmetic improvements or repairs cited by the inspection will be the employee's responsibility to complete at the employee's expense. The employee is not required to use Contractors/firms to make repairs, however, the Contractor has the right to re-inspect to ensure all issues have been resolved to the Contractor's satisfaction. Employee must make all repairs before a re-inspection is performed. The Contractor must offer to assist in obtaining estimates for repairs which shall be provided to the employee for consideration. If repair estimates are in excess of $1,000, the Contractor or employee may obtain another estimate. Contractor will review all estimates to ensure they encompass all repair issues and provide reasonable equitable resolution. The scope of work for which estimates are obtained shall be limited to the minimum work required to bring the item or component up to standards set by the manufacturer or to function as the item or component is intended, i.e.; the item or component must be functioning adequately for its intended use.

Estimates of repair or replacement of an item shall only be allowed when there is a demonstrable need for the repair and not based on life expectancy of the item alone. For example, if the roof, water heater, furnace, A/C, etc, has reached the end of its life expectancy, but is functioning adequately based on the intended purpose (i.e.; the roof is old but not leaking), the Contractor will not require the replacement of the item or component. Agency must be notified immediately of any repair disputes between Contractor and employee.

Employees shall be given a period of 30 work days to correct all conditions (from the date the results of inspections are presented to the employee) unless by prior agreement between Contractor and ordering agency, expenses for repairs authorized by the employee and coordinated by the Contractor may be deducted from the employee's equity upon acquiring the property. At the discretion of the agency, the inspections may be shared with the appraisers for consideration in the appraised value. If this practice is requested, the Contractor shall not require the employee to be responsible for repairs or repair costs.

F. Appraised Value Transaction

Appraisal Standards
Appraisals are to be conducted by Designated Certified Appraisers in accordance with current Uniform Standard of Professional Appraisal Practice (USPAP) as published by the Appraisal Foundation Organization and industry-accepted guidelines, such as the Worldwide ERC© Appraisal Guidelines. The appraisers shall use the 2010 Worldwide ERC appraisal report. *Where USPAP and/or Worldwide ERC© guidelines conflict with contract requirements, the contract shall prevail.*

Contact with Employee, Counsel on Appraisal Process and Provide Appraiser List
Upon receipt of Authorization, the Contractor shall contact the employee by telephone or by email to arrange for the initiation call to discuss the appraisal, inspection and title search processes. Under all Pricing Options, the Contractor is to provide the employee with a written list of Contractor approved Designated Certified Appraisers or the employee may present for consideration an "off-list" appraiser(s) that is qualified using the same requirements as Contractor's list of approved Designated Certified Appraisers, to perform a relocation appraisal (see note below). Contractor shall have up to 10 work days to approve or disapprove the employee's requested appraiser(s). If a requested appraiser is not allowed, the Contractor must notify the agency, with an explanation. If services are contracted under Managed Homesale, agency may opt to delay Appraisals for up to 30 days into the Mandatory Marketing Period. If Contractor has not had telephone discussion within five (5) work days of receipt of Authorization, Contractor must notify agency to discuss attempts to contact employee, request agency assistance to contact employee and to adjust schedule of future actions to reflect delay in contacting employee. It is at agency sole discretion to agree to adjust schedule.

Note: If there are an insufficient number of appraisers available that will allow the appraised value offer to be calculated (may require three appraisals) according to the terms of the BPA or task order, the Contractor must notify the agency within 5 work days. This does not automatically mean the property is ineligible. The Contractor shall document and provide to the agency the research performed in searching for an adequate number of appraisers. The Contractor and agency may resolve by mutual agreement, e.g., agree to allow a larger variance tolerance for appraisals and consider, if applicable, a Special Handling fee.

Appraisal Selection and Ordering

The Contractor shall counsel and instruct the employee how to provide comparable sales information to the appraiser and encourage the transferee to do so. The Contractor shall require the appraisers to consider the transferee's comparable data. If any of the appraisers choose not to use the comparable data provided by the employee, the appraiser(s) must comment in the written appraisal report on each comparable not used and the reason(s) it was not used. The Contractor is required to use the GSA Appraisal Order Form, which can be obtained at the GSA ERRC Program Office.

Within one (1) work day from employee notification of appraisal selection (or based upon the agency's requirements), Contractor shall order:

- Two (2) Appraisals based on the order of preference specified by employee;
- Contractor shall advise appraiser of the following:
  - Uniform Standards of Professional Appraisal Practice (USPAP) to be used; and,
  - Comparable Property Criteria. For homes in markets in which property foreclosure sales and/or listings constitute a significant percentage (at the discretion of the appraiser(s) unless a specific percentage is agreed upon by ordering agency and Contractor at the task order or BPA level) of comparable property sales and/or listings, appraisers shall notify the Contractor of intent to use those comparables PRIOR to establishing the Anticipated Sales Price of the home and provide documentation to the Contractor. Contractor must then apprise the ordering agency of the appraiser's intent to use foreclosures and forward copies of documentation to the ordering agency. Agency is encouraged to verify local foreclosure trends. If an appraiser cannot identify comparables per these criteria, appraiser must immediately notify the Contractor prior to completing the appraisal. Home sales resulting from auctions will not be allowed as comparable properties.
- Contractor shall require the appraiser to support the appraisal report with objective verifiable data and this data shall be made a part of the appraisal report; and,
- One (1) Broker's Market Analysis (BMA).

Appraisal Reports & Review Process

- Must be completed within 30 calendar days from the Appraisal order date
- Contractor must notify agency of any anticipated delay and the expected completion date. An extension may be granted for a maximum of an additional 15 calendar days, or as agreed upon by ordering agency and Contractor
- Upon receipt, Contractor shall review reports to determine if they are complete, accurate, consistent and in accordance with Appraisal Standards and Comparable Property Criteria as defined herein
- Completed appraisals are not subject to adjustment by the appraiser except to correct mathematical errors or errors of fact or to explain adjustments not otherwise addressed in the appraisal report. The Contractor shall require the appraiser to support the appraisal report with objective verifiable data and this data shall be made available to the employee and the agency if requested. For the purposes of this contract, "errors of fact" include material mistakes regarding such items as dates and prices of comparable sales, measurements of properties, and other objective data verifiable by an impartial observer without particular expertise in appraisal techniques. "Errors of fact" do not include matters of opinion such as professional judgments concerning differences in forecasting and market change adjustments, condition of a property relative to comparable sales and listings or the economic significance of such differences. All adjustments must be clearly identified and made known to the employee. "Errors of fact" may be verified by the agency to determine the necessity for appraisal adjustments or to request additional appraisals. Ordering agency has the final decision to discard an appraisal(s). Replacement appraisal(s) are at the expense of the Contractor
- If the Contractor disputes findings of original Appraisals relative to anything other than mathematical error or "errors of fact," Contractor may order an additional Appraisal, at its own expense to review with the agency. However, whether that appraisal will be used in the computation of the offer is at the discretion of the agency

Forecasting

Forecasting is the process of analyzing historical trends and current factors as basis for anticipating market trends. A forecasting adjustment is applied to reflect any effect the trends will have on the subject property's marketing time and sales price. Forecasting is an analytical tool pivotal for developing an accurate Anticipated Sales Price. According to the Worldwide ERC Appraisal Guidelines, elements of forecasting to assist the appraiser with trends to consider include:

- Marketing Time (days on market)
- Housing Demand
- Housing Supply

- Competing Properties
- New Construction
- Real-estate Owned (REO)/Foreclosure Competition
- Interest Rates
- Mood of the Market
- Seasonal Market Trends
- Economic and Employment Shifts
- Withdrawn and Expired Listing
- Demographic Trends
- Buyer Profile
- Pending Sales
- Subject Property Listing

Appraisers are to consider Worldwide ERC instructions using marketing time of up to 120 days for the appraisal assignment. Upon agreement between the Contractor and ordering agency, the forecasting period may be decreased from 120 to 60 days; pricing for all options, however, presumes a forecasting period not to exceed 120 days. Factors taken into account by the appraiser shall be set forth in the report supported with objective, verifiable data. Data supporting forecasting and the method used to apply forecasting shall be attached to or included in the completed appraisal report. It is not sufficient for the appraiser(s) to indicate that market is declining X percent per month and every effort should be made by the appraisers to explain the forecasting adjustment.

Appraised Value Offer
Contractor shall average the appraised value amounts to determine the Appraised Value Offer. If the two appraisals differ by more than 5% of the higher value or up to a 10% variance can be used as agreed upon by ordering agency and Contractor at the task order or BPA, the Contractor shall arrange for a third appraisal to be ordered in accordance with the employee's preference of appraiser selection. The third appraiser is not to be advised that he/she is being called in as the third appraiser. When three appraisals are performed, the Contractor shall determine the Appraised Value Offer amount by: (a) the average of the two closest appraisals or (b) if the three appraisals vary equally, the average of the three appraisals. The ordering agency may tailor the Appraised Value Offer guidelines, by task order or BPA and allow the averaging of all three appraisals regardless of appraisal spread. When a third appraisal is performed, it shall also be completed within the 30 calendar day timeframe as stipulated above. However, if the agency determines that local conditions preclude completion of the third appraisal within 30 calendar days, the agency may grant a reasonable extension to complete the process. The extension time period shall be a reasonable length dependent upon the local conditions.

Prior to extending the Appraised Value Offer to the employee, Contractor should obtain information from the employee sufficient to determine if the anticipated amount of the Appraised Value Offer will result in a positive or negative equity situation for the employee. If Contractor determines that the anticipated Appraised Value Offer may possibly result in a negative equity situation for the employee, the Contractor will apprise the agency and employee. The Contractor and agency may agree to delay the appraised value offer or extend the offer acceptance period.

Under all Pricing Options, within two (2) work days of completion of the appraisal, inspection and title process, the Contractor shall make the employee either an oral or written (may be electronically sent) Appraised Value Offer to purchase the home. This Appraised Value Offer may be a contingent offer only if any required repairs and re-inspections have not been completed before the offer is made. In the event a contingent offer is made, the contingencies apply only to the repair issues and the employee shall be afforded the options as defined in the Home Inspections and Inspections Criteria section above.

If a contingent offer is made, the employee shall be given five (5) work days to choose one of the options identified below.

1. If the employee elects to complete any repairs and re-inspections, the employee will be required to complete these repairs prior to acceptance, but no later than 30 work days after receipt of the Appraised Value Offer. Repair contractors or re-inspection services shall not have a personal or business relationship with the employee or the Contractor that would affect the objectivity and/or independence of the appraisal. The Contractor providing inspections shall not be eligible to provide estimates for repairs or to perform the repairs without prior approval of the agency.
2. In the event that a contingent offer is made, the employee and Contractor will be given ten (10) work days to obtain an estimate for repairs unless an extension is granted by the ordering agency. Employee may elect to complete any required repairs and re-inspections at his/her expense. Repairs and re- inspections must be completed to Contractor's satisfaction that the repaired item or component is functioning adequately for its

intended use. If an established, reputable, independent contractor to make necessary repairs is not available, the Contractor and/or employee should obtain quotes from contractors outside of the area or other repair options and present those to the agency and Contractor for approval prior to completing repairs as detailed above.

A written Appraised Value Offer shall be mailed (may be sent electronically) to the employee within two (2) work days of the date the Contractor makes his/her oral or email offer. The written offer to the employee shall be accompanied by copies of all appraisals, inspection reports (unless already received by employee) and other information pertaining to the offer. The written offer shall also include procedures for the employee to request a reevaluation of the appraisals. All documents shall be transmitted in their entirety and no information whatsoever shall be deleted from them. Any adjustments made to such documents shall be supported by written justification and made known to the employee. Copies of all documents sent to the employee shall be provided to the agency upon request.

The employee shall have 60 calendar days from the date of the oral or email offer to accept or reject the Contractor's Appraised Value Offer. Agency may approve an extended offer period up to a total of 90 days. The employee may request an equity loan, a.k.a. equity advance, upon receipt of offer pursuant to procedures set forth under paragraph "Equity Loan" of this Requirements document. The employee is free to reject the Contractor's Appraised Value Offer at any time and proceed to sell the home independently. If the employee rejects the Contractor's offer, no further Homesale Services shall be performed by the Contractor. The Contractor will bill the Government for direct costs actually incurred up to $7,000 or another amount agreed to in a task order or BPA. If the employee rejects the Contractor's offer, the home shall no longer be eligible for inclusion in the Homesale Services portion of this contract. However, employee will be eligible to receive Home Marketing Assistance for Direct Reimbursement of Homesale Expenses if contracted by the agency. Rejection of the Contractor's offer will not be made effective until the end of the 60-day Acceptance Period. Though employees may notify the Contractor or the Government prior to the end of the 60-day acceptance period, the delay in effective date shall allow employees to reconsider their rejection until the end of the full 60 days. If after rejecting the offer the employee decides to accept the offer within the 60-day offer period, the employee shall reenter the program by accepting the offer, and the initial 60- day acceptance period shall not be extended.

Request for Reevaluation Process
The Contractor shall provide a procedure for the employee to request a reevaluation of the appraisals used in the determination of the Appraised Value Offer. The Contractor has the responsibility to develop written criteria for the selection of the independent reviewer. These criteria shall be subject to review and approval by the agency.

The employee may request reconsideration of all or any of the appraisals originally performed to establish the Contractor's appraised value offer. Only those appraisals identified by the transferee shall be addressed in the reevaluation process. Following are key requirements/aspects of the appraisal reevaluation process:

- Written instructions must be provided to the employee in the package submitted with the employee's written Appraised Value Offer
- The employee is given one opportunity to appeal the appraisal(s) and must submit the reevaluation request to the Contractor and to the agency, within 15 calendar days of receipt of the written offer. Any subsequent requests for reevaluation must have the concurrence of agency Contracting Officer (CO). Every effort should be made by the Contractor to ensure that the employee's questions and concerns are addressed fully
- If the agency policy and/or pricing option require the listing price to be within a set percentage of the Appraised Value Offer, the employee shall not be required to adjust the list price until after the results of the reevaluation have been delivered to the transferee
- The reevaluation request shall be reviewed by the Contractor, the agency and by the appraisers so that every effort is made to provide the employee with a fair and equitable resolution of the situation. Revised Appraised Value Offers will be based upon the reevaluation of the appraisals used in determining the Appraised Value Offer, regardless of variance
- Circumstances where three appraisals were obtained for variance reasons, if the appeal results in a change of value in one or more appraisals, the final values should be used as the basis for calculating the new Appraised Value Offer and the method should be based on the requirements in the Contract or BPA (i.e., averaging the two closest or all three if equal distant). As a result of the reevaluation, the offer may be the same, higher, or lower
- The reevaluation process shall be completed prior to the 60-calendar-day acceptance period unless an extension of up to 30 calendar days is requested by the agency. Accordingly, the results of the reevaluation should be furnished by the Contractor to the employee no more than 45 calendar days after

the date the original written Appraised Value Offer was tendered to the employee. The employee will be given up to 10 calendar days or the expiration date of the original Appraised Value Offer (whichever is later) to review the results of the reevaluation in order to determine whether to accept or reject the offer.

- Agency authority as it pertains to the reevaluation process:

    1) If the agency believes the reevaluation process was not seriously considered by the appraiser(s):
        a. The agency may grant an option to extend the appraised offer period, up to 30 calendar days, and direct the relocation company to order replacement appraisal(s) to be conducted under current market conditions at the time the new appraisal is ordered
        b. The agency will be responsible for the cost of the replacement appraisal(s)
    2) If the agency, with concurrence from agency CO, determines that any of the three appraisals are incomplete, inaccurate or questionable:
        a. The agency may direct that the relocation company obtain an independent review of the appraisals in question
        b. If the independent appraiser determines that the questionable appraisal(s) is incomplete, inaccurate, or questionable, that appraisal(s) will be disqualified and another appraisal(s) will be conducted under the current market conditions at the time the new appraisal is ordered
        c. The relocation company will be responsible for the cost of the replacement appraisal(s)

Note: Replacement appraisals ordered under the reevaluation process must always reflect “current market conditions” and cannot reflect the period of time the original appraisal(s) were conducted. “Retroactive” appraisals are not permitted.

If an appraisal is disqualified and replaced by a new appraisal at any time during this process, the disqualified appraisal shall not be used in any further calculations. The new Appraised Value Offer will be based upon the replacement appraisal and other remaining appraisal(s) that will either be higher than, equal to or lower than the original offer.

Contractual issues or discrepancies which cannot be resolved between the Contractor and agency shall be sent to the GSA Contracting Officer for consideration at least 10 days prior to the expiration date of the Appraised Value Offer. Unresolved contractual issues must be sent by the agency Contracting Officer to the GSA Contracting Officer. The GSA Contracting Officer’s role is to ensure proper compliance with this Requirements document, including time frames, and not to review and interpret appraisals or reevaluations of appraisals.

Disputes under Appraised Value Transactions
Disputes are to be handled at the ordering level. The Contractor shall make reasonable efforts to conclude all necessary financial adjustments with the employee within 45 work days after completion of the Homesales Service. Neither the Government nor the employee shall be held liable for any errors or omissions that are solely attributable to the Contractor. Contractor may not request a refund from the employee after the 45 work days from acquiring the property, unless money due is a result of fraud or negligence on the employee.

G. Amended Value and Amend-from-Zero Transaction

Under Full Choice Homesale, the employee may market the home through the Contractor’s Marketing Assistance Program for up to the full 60 calendar days allowed for the Acceptance Period. If the employee is successful in finding an outside buyer willing to pay a purchase price equal to or greater than the Appraised Value Offer made by the Contractor (unless the employee, at his/her discretion voluntarily agrees to accept an offer at less than the Appraised Value Offer); the employee's transaction shall be closed according to the Amended Value transaction procedures detailed below and in compliance with IRS Revenue Ruling 2005-74.

Under Managed Homesale, the employee is required to market the home for a minimum of 60 calendar days. All buyer offers received by employee must be presented to Contractor with Contractor right to accept buyer offer lower than Appraised Value Offer. If the employee has received an Appraised Value Offer from the Contractor and is successful in finding a potential outside buyer willing to pay a purchase price greater, equal or even lower than the Appraised Value Offer, the employee's transaction shall be closed according to the Amended Value transaction procedures detailed below. An “Amend-from-Zero” transaction occurs when the relocating employee receives a Bona Fide Offer from a qualified buyer before the employee has received an Appraisal Value Offer from the Contractor.

Amended Value and Amend-from-Zero/Buyer Value Option Procedures:

- If the employee receives an acceptable Bona Fide Offer from a potential outside buyer he/she shall immediately notify the Contractor
- The employee shall not enter into a contract or sign any agreement document with the potential outside buyer or accept a down payment or earnest money deposit
- The Contractor shall review the offer's terms and conditions and shall counsel the employee throughout the negotiation of the offer
- The Contractor shall verify that the offer from the potential outside buyer is bona fide and shall make adjustments to compare the appraised value offer to the outside buyer's offer on an all-cash basis. Such adjustments may include deducting items not reimbursable under the FTR such as seller's concessions made by the employee, finance charges, points and excess real estate commission or repairs and improvements. Within five (5) work days of receipt of the outside offer and all required documentation, the Contractor shall notify the employee of its determination whether the outside offer is bona fide and the buyer is reasonably qualified
- If the appraised value offer has not been made and appraisals have not been received, the Contractor may obtain one or more independent BMAs by licensed real estate brokers of the Contractor's choice. These firms shall not have a business or personal relationship with either the employee or the Contractor that could affect the objectivity and/or independence of the inspection. The higher of these BMA's shall serve as a benchmark of market value to help determine the reasonableness of the offer
- For Amended Value transactions: The Contractor shall amend its original offer to the employee, revising its purchase price to the amount of the potential outside buyer's purchase price. This Amended Value offer may be a contingent offer only to the extent provided for "Bona Fide Offers" as defined in this Requirements document. Accordingly, no contingencies may be included other than those that (a) provide for repairs and re- inspections required under this Requirements document, (b) provide that the potential outside buyer must qualify for financing and (c) provide that the seller must convey marketable and insurable title. Amended Value Offers may not be contingent on other events such as the sale of other real estate by the potential outside buyer
- For Amend-from-Zero/Buyer Value Option transactions: The Contractor may elect to make an amend-from-zero offer to purchase the home at a price equal to the amount of the potential outside buyer's purchase price, provided that the offer from the potential outside purchaser is determined by the Contractor to be bona fide. Within five (5) work days of receipt of the outside offer and all required documentation, the Contractor shall notify the employee of its determination whether the outside offer is bona fide and the buyer reasonably qualified. Contingent offers shall be handled in same manner as described above "For Amended Sales"
- Upon the Contractors ratification of the employee executed offer package, the employee bears no risk if the potential outside buyer does not purchase the home or if the home eventually is sold for less than the Amended Value or Amend-from-Zero/Buyer Value Option Offer
- The employee is free to reject the Contractor's offer at any time and proceed to sell the home independently. If the employee rejects the Contractor's offer, no further Homesale Services shall be performed by the Contractor. The Contractor will bill the Government for direct costs actually incurred (see *Cancellation of Transactio*n below). Upon completion of the transaction, the Contractor shall bill the Government for the amended value transaction fee based on the gross amended value of the home (value of the amended offer prior to deductions in sales price for concessions made by the employee to the buyer, such as an allowance for repairs or redecorating that are to be deducted from the employee's equity at closing)
- If the home was listed with a real estate broker, upon the employee's acceptance of the Amended Value or Amend-from-Zero/Buyer Value Option Offer and termination of the employee's listing agreement as provided in the listing exclusion clause, the Contractor shall initiate a listing agreement with the broker and shall pay the commission to the broker if the sale to the potential outside buyer is completed on the negotiated terms. The Contractor shall make a good faith effort to close the sale to the potential outside buyer
- If the Amended Value or Amend-from-Zero/Buyer Value Option Offer does not result in a completed sale at no fault to the Contractor, the transaction may revert to an Appraised Value transaction fee for purposes of payment. The Contractor shall document the circumstances that resulted in the fall-through to the agency representative within 3 work days supported by pertinent documentation, such as the lender's denial letter. If the Contractor has not acquired the property from the employee at the time the sale falls through, the employee may continue to market the home for the remainder of the marketing period
- If the home is ultimately sold on terms and conditions different from the original offer, the transaction service fee may be charged as:

- Appraised Value transaction fee; or
- Upon approval by the agency, the Contractor and agency may negotiate a fee that is greater than the agreed upon Amended Value transaction fee but less than the agreed upon Appraised Value transaction fee. This negotiated fee is designed to complete the sale to the original outside buyer incorporating concessions or price reductions that keep the sale together. The fee must be a negotiated percentage and not line item charges to the Contractor. Note: The option on how or when to re- bill for an Amended Value or Amend-from-Zero/Buyer Value Option fall-through should be expressly noted in all task orders or BPAs.

H. Mortgage Payoff vs. Mortgage Servicing

For Homesale services requiring mortgage payoff, Contractor will pay the full mortgage due and take title on the home within 31 calendar days of acquiring the property from the employee, unless acquired under an Amended Value or Amend-from-Zero/Buyer Value Option transaction to which the Contractor shall pay off the loan within a maximum of 60 calendar days of acquiring the property or upon resale closing of outside sale. Contractor shall take title on all Appraised Value transactions within 31 days of acquiring the property unless agency has agreed via the task order or BPA to allow use of Deed-in Blank title transfer in those jurisdictions in which it is permitted. Contractor shall take title and pay off loan(s), within 31 calendar days of original acquisition date, on Amended Value or Amend-from-Zero/Buyer Value Option transactions that fall through. For Homesale services with delayed mortgage payoff, Contractor may service the mortgage from the time the Contractor executes the Contract of Sale with the employee until the Contractor sells the property to an outside buyer. The mortgage will remain in the employee's name; however, Contractor will notify the lender that rights and burdens of ownership have been undertaken by the Contractor and that the Contractor will be responsible for payments related to the home, including mortgage payments, insurance and maintenance. Employee and ordering agency will receive copies of the notification provided to lenders. Mortgage Payoff is not required at time of acquisition; however, the Contractor is required to take title within a maximum of 150 calendar days from acquiring the property (unless another time frame is agreed upon by task order or BPA); For Amended Value and Amend-from-Zero/Buyer Value Option transactions, Contractor is required to transfer title within a maximum of 150 calendar days of acquiring the property (unless another time frame is agreed upon by task order or BPA); or upon the closing with the outside buyer, whichever is sooner. The Contractor will provide a certificate of insurance to the lender to verify that the property is insured by the Contractor; copies of the certificate of insurance are to be provided to the employee and ordering agency upon request. Contractor will make mortgage payments on a timely basis in accordance with the lender payment schedule. Contractor will provide the employee with an adjusted mortgage interest statement with prorated interest deduction amounts clearly identified. This statement will be provided no later than January 31 of the year following the year in which the mortgage interest was paid in the employee's name to ensure employee has accurate information for tax deduction reporting. Contractor will pay to employee the full balance of the mortgage escrow, if any, at time of execution of the sale transactions. Said payment should be made and documented as a credit to employee at time of Equity Payment. If the lender refunds the escrow balance directly to the employee upon closing after the employee has received the full balance of the escrow from the Contractor, the employee must remit those funds to the Contractor.

If payments are not made in accordance with lender payment schedules, Contractor must contact the major credit reporting corporations to request that any record of late payment be removed from/corrected on the employee's credit history. Contractor must send copies of the letter or email to the employee and the ordering agency as documentation of the request. Contractor will be responsible for costs associated for employee to verify that his/her credit history has been corrected; costs may include acquiring periodic credit reports from each credit reporting corporation. To cover such costs to expunge late payments from the employee's credit history, ordering agency may assess penalty fees to the Contractor up to $2,500 per employee affected. Additional penalties may be specified at the agency level through the task order.

Ordering agencies should report incidents of late mortgage payments to the GSA Contracting Officer as timely mortgage servicing is a consideration in supplier past performance evaluation. Contractors that demonstrate a pattern of late mortgage payments as determined by the GSA contracting officer may be prohibited from providing homesale services under Pricing Options with delayed mortgage payoff for new task orders.

I. Vacating and Equity Distribution

Once the employee has accepted the Contractor's Appraised, Amended Value or Amend-from-Zero/Buyer Value Option Offer, a vacating date shall be established. If the employee is the occupant they may remain in the house during this period. The vacating date shall be no later than the earlier of (i) 45 calendar days from the date of

acceptance or (ii) the scheduled closing date with an outside buyer. This date may be extended in exceptional cases when approved in advance by the Contractor and the agency. However, the employee shall be charged prorated fees through the estimated vacate date for taxes, homeowner dues and mortgage payments. If the property is occupied by a tenant, the tenant must vacate prior to the employee's acceptance of the offer. Note: Homes must have utilities on and paid current in accordance to the Contractor's operational procedures for the property to be satisfactorily inspected and marketed. The employee shall maintain the property and shall pay all utility, insurance, and related maintenance costs for the property during the timeframe between the employee's acceptance of the Contractor's offer and the date the employee vacates the property. The employee shall deliver the property in vacant, broom clean condition, in substantially the same condition as when appraised. A representative of the Contractor, at the Contractors request, shall inspect the property within two (2) work days of vacating to identify damage or the need for debris removal.

- When the sales price accepted by the employee exceeds the outstanding mortgage balance and other encumbrances the Contractor shall pay the equity to the employee. The equity payment will not be reduced for items that are normally reimbursable to the employee under the Direct Reimbursement method as specified in chapter 302 of the FTR. Questions regarding reimbursable items must be resolved between the employee, agency and the Contractor prior to the equity payment. Payment shall be made by certified check, wire transfer or cashier's check
- If the property is vacant, the Contractor has five (5) work days from the date of acquisition to obtain a clear vacate report and distribute 100% of equity. If the vacate report is not clear, the employee must be notified immediately of the requirements needed for a clear and acceptable report. If equity cannot be disbursed within five (5) work days because the vacate report is not clear, the ordering agency must be notified
- If the property is not vacant, the Contractor shall release 95% of the equity within five (5) work days of acquisition and the remaining 5% within two (2) work days of receipt of a clear vacate report. The vacate report should be ordered once the Contractor is notified that the employee has vacated and the report should be received within two (2) work days of ordering. If the remaining 5% cannot be disbursed within two (2) work days of the receipt of the vacate report (the report is not clear), the ordering agency must be notified

Negative Equity/Equity Deficit
When the outstanding mortgage balance and encumbrances exceed the accepted sales price or Appraised Value Offer, the employee shall pay the Contractor the deficit via certified check, wire transfer or cashier's check at the time he/she executes the Contract of Sale. Prior to extending the Appraised Value Offer to the employee, Contractor should obtain information from the employee sufficient to determine if the anticipated amount of the Appraised Value Offer will result in a positive or negative equity situation for the employee. If Contractor determines that the anticipated Appraised Value Offer may possibly result in a negative equity situation for the employee, the Contractor will apprise the agency and employee. Through BPA or task order, ordering agencies and Contractor should agree upon procedures to either delay presentation of the Appraised Value Offer to allow the employee time to obtain financial assistance to address the anticipated deficit or to disqualify the employee from the Homesale Services Program and pay the Contractor for expenses incurred during Appraised Value process.

Short Sales
In some situations, lenders may accept a “short sale” which is similar to a negative equity situation except a short sale may entail a forgiveness of debt negotiation with a lender or without forgiveness of debt. If the lender forgives the debt, the relocating employee does not owe the lender a portion or the entire deficient amount (it is forgiven). The forgiveness of debt can have tax and credit consequences to the employee. If the lender does not forgive the debt, the relocating employee and the lender come to terms and arrange for the debt to be paid. Contractor and ordering agency must agree through BPA whether short sale properties are a) eligible for the Homesale program and, b) if so, the fee structure that applies (e.g., will short-sale properties be treated as typical Homesale or will short sale properties be routinely referred for Special Handling).

Equity Loan (a.k.a. Equity Advance)
During the offer period, (prior to acceptance and execution of the Contract of Sale) the Contractor shall loan up to 75% of the employee's estimated equity, based on the Appraised Value Offer, if the employee requests such a loan for the purpose of purchasing a home at the new duty station. In addition, during the offer period, at the Contractor’s discretion, the Contractor may provide employees with an equity loan of up to 90% of the offer, based on the Appraised Value Offer, if the employee requests such a loan for the purpose of purchasing a new home at the new duty station. If the employee requests an equity loan during the acceptance period, the Contractor can request proof of a new home purchase either verbally (from the broker) or by requesting a copy of the purchase agreement or Closing Disclosure (CD) from the employee.

The equity loan may be secured by a second deed of trust or other security that the Contractor deems satisfactory. In the event that the employee does not accept the Contractor's Appraised Value Offer, the Contractor may use normal legal recourse if the employee fails to pay the amounts that had been loaned. The Contractor shall have no legal recourse against the Government if the employee fails to pay the amounts loaned. The Contractor may also charge the employee a $250 administrative fee if the equity has been loaned and the employee does not accept the Contractor's Appraised Value Offer. Upon completion of the Homesale Service, it is the responsibility of the Contractor to ensure the equity loan to the employee was the correct amount, except in those instances when any errors and/or omissions are attributable to the employee.

Disputes Under Equity Loan
The Government is not responsible for the repayment of any amounts loaned to the employee. The equity loan shall be deducted from the employee's equity upon the Contractor's acquisition of the property. The Contractor's cost of money for the equity loan, or any other fee will not be charged to the employee or to the Government.

Upon acquisition of the employee's property, the Contractor shall coordinate financial responsibility determining the employee’s pro-rated portion of items such as the mortgage interest, homeowner dues and property taxes while occupying the property. The employee shall maintain the property and pay all maintenance, utility, insurance, and related maintenance costs for the property during the time-frame between the employee's acceptance of the Contractor's offer and the date the employee vacates the property. The employee shall vacate the home – leaving it in broom clean condition and in the same condition with which it was appraised - within the designated vacate period (45 days or as defined in agency BPA).

Once the employee has vacated the acquired property, the employee shall not be liable for any damage, loss, act of God, or other cost or expense from the date of acquisition by the Contractor unless due to an act or omission to act by employee or loss of damage is a result of latent defect which has been misrepresented or omitted from the disclosure by the employee, or due to any misrepresentation or fraud by the employee. The Contractor may conduct a post-closing audit of the file within 45 work days of the final equity payment to the employee, or within 45 days of the closing of an Amended or Amend-from-Zero/Buyer Value Option transaction. Within 45 work days of final payment of equity to the employee or within 45 days of an Amended or Amend-from-Zero/Buyer Value Option transaction closing, the Contractor shall disburse any additional funds due the employee or initiate efforts to collect funds improperly paid to the employee.

The Contractor will establish procedures for addressing mortgage payments and other obligations secured by the home. Such procedures will ensure that all necessary actions are completed within 20 work days of his/her acquisition of the property. At a minimum, the procedures established by the Contractor shall contain the following provisions:

- Except when the home has been acquired as a result of an amended value transaction or amend-from-zero transaction that included formal assumption of the mortgage by a third party buyer as a seller's concession, the Contractor shall purchase the property from the employee subject to any existing mortgages of record. Under Pricing Options requiring mortgage payoff, the Contractor will pay off the mortgage and take title within 31 calendar days of the acquisition date with the employee unless acquired under an Amended Sale program to which the Contract shall pay off the loan and transfer title within 60 calendar days or upon resale closing of outside sale;
- As permitted under Pricing Options with delayed mortgage payoff, Contractor will be fully responsible for the timely payment of mortgage payments as well as the subsequent payoff of the mortgage(s) either upon close of the resale of the property or when the circumstances surrounding the mortgage or BPA or task order between Contractor and ordering agency dictate that the mortgage(s) be paid off sooner, such as the need to free up VA/FHA benefits. The Contractor shall assure that the employee's credit record is protected through prompt payment of all obligations by the due date. Ordering agencies should request monthly reports from Contractor that identify all agency employee mortgage payment requirements currently serviced by the Contractor, listed by employee and the dates and amounts paid by the Contractor on behalf of those employees;
- When the home has been acquired as a result of an amended value transaction or amended-from-zero/buyer value option transaction that included assumption of the mortgage as a seller's concession, the Contractor is not required to arrange for formal release of the employee from the mortgage. The employee will remain liable for the mortgage in the event of subsequent default by the third party buyer. (If the amended value transaction or amend-from-zero/buyer value option transaction that included a fullLender

approved assumption of a mortgage by a third party buyer as a seller's concession is not consummated, the Contractor shall obtain formal release of the employee from the mortgage, as described above); and,

- The Contractor shall not credit the employee the escrow at the time of the equity loan. Upon payoff, the Contractor shall instruct the mortgagor to send any outstanding escrow refund directly to the employee. In the event the Contractor receives the escrow funds from the mortgagor, the escrow funds shall be sent to the employee within five (5) work days. If the employee receives excess escrow payments made by the Contractor, the employee shall remit repayment within 30 days after the Contractor's invoice date.

The date of acquisition of the property represents completion of the Homesale Services portion of the contract for billing purposes. Neither the Government nor the employee shall be held liable for any errors or omissions that are attributable to the Contractor, except in situations of negligent acts or omissions or misrepresentation/fraud on the part of the employee or in the result of the above referenced post-closing audit.

J. Cancellation of Transaction

The Government reserves the right to cancel an employee's relocation. No fees will be paid to the Contractor for such cancellation. If the employee's relocation is canceled, acquisition direct costs incurred by the Contractor pursuant to this contract will be paid by the Government up to $7,000 (or other amount agreed upon by Contractor and ordering agency) with supporting documentation that substantiates the expense. Upon notification by the Government of such cancellation, the Contractor may bill for interest charged in accordance with the Prompt Payment Act as allowed for late payments by the Government if applicable.

K. Destination Area Services

Upon notification of transfer, the Contractor shall provide relocating employees with individual counseling services in a timely manner to familiarize the employee with information, regarding the real estate market (including rental properties, temporary quarters, schools, taxes, commuting, community life, etc.), at the new official duty station. This information should relate to the individual employee's needs. If requested by the employee, the Contractor shall provide the following destination area services either independent of or in conjunction with the Homesale Services portion of the program at no additional cost to the Government or employee.

Buyer's Assistance
Upon notification of a transfer, the Contractor shall contact the employee to advise him/her of the assistance available and to discuss the family's community and housing needs at the destination area.

Under Full Choice Homesale the employee has the option to work with an approved real estate service provider in the new location selected by the Contractor. If the employee declines to work with a real estate service provided referred by the Contractor, the employee may not be eligible for other destination services indicated below, depending on the terms of ordering agency blanket purchase agreements or task orders.

Under Managed Homesale, the employee will be provided a list of real estate service providers in the area from which to select an agent to assist the employee in finding a home in the new location. If employee opts to purchase a home within six (6) months of closing on the home in origin location, the employee is required to work with a real estate professional referred by the Contractor to receive destination services described below. If the employee purchases a new home at the destination within six (6) months of closing on the former home without using the destination area real estate agent referred by the Contractor, the Contractor may assess the ordering agency a penalty fee not to exceed 1% of the value of the new home purchase amount.

The Contractor will arrange for a Home Finding Information Kit to be sent to the employee that will include information on area home prices and services. The information kit shall also include a listing of homes in inventory that pertain to the GSA Relocation Services Program in the area where the employee is transferring. The Contractor shall provide their inventory listing of all homes, including, if applicable, any other Government contract inventory homes in the area where the employee is transferring. This listing should include, but is not limited to, the following information:

- Brief description of property
- List price
- Address of property
- Broker listing and phone number

Based on the employee's particular requirements, the Contractor shall select a licensed broker in the destination area, furnishing a complete profile of the employee's preferences. Such brokers shall not have a personal or business relationship with the employee or the Contractor that would affect the objectivity and/or independence of the broker. The broker shall provide buyer assistance counseling, which shall include:

- Screening the available homes in the area and contacting the employee to familiarize him/her with information regarding the local area;
- Preparing a home hunting itinerary, scheduling appointments to view the available properties and acquainting the employee and employee's immediate family with points of interest in the new area;
- When a suitable home is located, assisting in the preparation of the proper contracts and negotiating the purchase according to applicable laws and regulations; and,
- Providing historical data on home prices for the area within the past three years.

Rental Assistance
The Contractor shall contact the employee to verify the desired location, rental price range and the relocation time schedule. Under Managed Homesale, the Contractor will transmit this information to personnel of a reputable rental agency that will contact and counsel the employee. The Contractor shall maintain communication with the employee throughout all phases of the process. Under Full Choice Homesale, the employee may use a rental agent of his/her own choice; however, if declining to work with the referred rental agent, the employee may not be eligible for other homefinding assistance offered by the Contractor. A rental agent performing a service under this contract shall not be a Government employee and not be related to the employee or the Contractor by blood or marriage and shall not have a relationship with the employee or the Contractor (personal or business) that would affect the objectivity and/or independence. Rental assistance counseling shall include:

- Sending the employee a homefinding information kit;
- Preparing a home hunting itinerary, scheduling appointments with a rental agency;
- Discussing the benefits and obligations of the renter, including the requirements of lease agreements, prior to the showing of available rental unit;
- Apprising the employee of typical rentals within a suitable commuting distance; and,
- Discussing the customary deposit requirements.

L. Mortgage Counseling

The Contractor shall coordinate counseling for the employee on nationwide and local mortgage programs that meet the employee's financial objective and qualifications. To help ensure the employee makes informed and educated decisions among lending options, mortgage counseling is recommended. However, the employee is not obligated to arrange financing from any of the Contractor's list of mortgage lenders. Local mortgage counseling is available through the buyer's assistance representative selected by the Contractor. National lenders shall be defined as including, but not limited to:

- Licensed to originate and close residential mortgages in all 50 States
- Product lists to include, but not limited to: conforming loans (fixed and adjustable); non-conforming loans (fixed and adjustable); Government loans; new construction loans; and combination home equity lines of credit
- All products must be available in all 50 States
- Service delivery for the employee shall be available via a toll-free number
- Retention of services for loans closed through solicitation
- Dedicated national account manager for GSA, agency and Contractor
- Reporting capability to meet agency requirements

Capability to offer direct-bill benefit if agency permits and employee is eligible. The counseling shall include:

- Providing information on types of mortgages, rates, fees and lender qualification requirements and relative availability of financing in the new area;
- Qualifying the employee for mortgage amount and monthly payment without the employee's obligation for an application fee;
- Referring to national and local lending sources, to enable the employee to compare financing available and select a mortgage product and lender that meets employee requirements. Agencies have the option to require the Contractor(s) to refer the employee to more than one agency-selected national lender. If

available, direct-bill capability shall be extended to all agency- selected national lenders. Direct-bill capability shall be defined as the ability to advance closing costs on behalf of the employee and seek reimbursement from the agency and/or Contractor; and,

- Monitoring of employee's progress in securing financing and assistance with details of application and approval.

The Contractor is not required to provide actual financing to the employee. Any such financing that the Contractor would furnish would be considered a service outside the scope of the contract. This requirement does not preclude the Government or any individual agency participating in this contract from entering into contractual or other arrangements with other firms for the provision of mortgage financing to the Federal employees.

Group Move Services

XIV. Group Move Services Pricing

See SIN 531_Employee Relo_Pricing Template.xlsx.

XV.Group Move Services Requirements

Agencies use these services to assist in planning and organizing the move of an agency location and/or a group of employees for various reasons such as the closing or consolidating of offices. The overall breakdown of services may include the following: *Site Identification and Selection, Project Planning and Program Design, Pre-Move Employee Orientation and Decision-Making to Maximize Employee Retention, Communications Program and Materials, Employee Relocation Services* and *Ongoing Project Management.*

A. Site Identification and Selection

1. Criteria Development – Initial consultation meeting to discuss agency mission, objectives, key success factors, organizational structure, process flow and occupancy requirements for new facility (ies.)
2. Strategy – Develop initial project approach. Develop quarterly strategic briefings throughout the consultation process. Develop timeline, critical decision dates, communication approach, employee engagement strategy, and change management plan.
3. Economic Research and Analysis - Provide initial information on geographic and economic conditions of an area that may become the delineated search area for an agency. Include research and analysis for up to multiple locations. Analysis may include, but is not limited to, the following factors: population, central business district analysis, economic state, median income, median housing costs, real estate market conditions and housing availability, transportation connectivity to facility, time zone differential, transportation modes (frequency and duration) between old location and new area, nearby universities and talent availability, nearby industries, unemployment rate. Agencies may request an additional 10 factors of analysis to complete the Economic Research & Analysis.
4. Identify Search Areas - Provide a delineation of the geographic region or regions where the location objectives of the proposed project can be maximized
5. Feasibility Costs and Cost Benefit of Candidate Cities – The identification of a select series of candidate locations, the rationales for the rejection of less desirable cities and the preparation of a comparative feasibility cost analysis among the initial candidate locations; Develop an executive summary in a matrix format, highlighting the analysis of the candidate cities. Develop a cost benefit analysis to support feasibility assessment and investment strategy.
6. Field Research - Confidential field research in top cities covering talent, labor availability, recruitment, and available city/state financial incentives. Other factors such as lifestyle, dependents and childcare, elderly care, schools and trailing spouse job placement.
7. Final Economic Analysis - A final projection of annual operating costs and savings scaled to the proposed new facility on recommended sites within each of the finally-chosen cities. Projection should include agency assumptions and based on similar industry factors.
8. Location Site Visits with Clients - Create itinerary addressing duration and intent, facilitate meetings between local contacts for candidate cities. Create itineraries; facilitate meetings for up to final recommended cities.
9. Document Selection - Create a summary report, documenting strategy, process and city selection. Conduct close-out meeting with project team.

B. Project Planning and Program Design

1. Create and implement a strategy and project plan tailored to the agency's business needs, organizational culture, and employee demographics. Service options may include:
   a. Employee surveys to assess the needs of your relocating employees prior to program development.
   b. The design, development, and implementation of your agency's relocation policies that focus on cost efficiencies and alignment with goals and objectives.
   c. Budget development and oversight that identify best practice group move programs, as well as provide savings and containment recommendations.
   d. Site surveys of the new location with special attention to schools, housing, cost of living, etc.
   e. Announcements and communications templates to ensure relocating employees are properly informed every step of the move.

C. Pre-Move Employee Orientation and Decision-Making to Maximize Employee Retention

1. Employees' understanding of the current housing market in both the origin and destination locations ensures accurate financial information available to make an informed decision. The service may consist of:
   a. Group policy briefings held with agency HR representatives
   b. Group destination orientation meetings
   c. Online resource guides for both departure and destination
   d. Group cultural briefings if applicable
   e. Planning and onsite facilitation of group area familiarization trips as allowed by FTR

D. Communications Programs and Materials

1. Communicating policy and procedures as directed by the agency may be web-based, written material, or a combination of both. Destination research and information kits are compiled and distributed to the employees, along with helpful information on housing options, transportation, taxes, education, and any other critical support data.

E. Ongoing Project Management

1. Management of the planning, implementation, and completion of all aspects of the group move as well as planning and delivering of all ongoing services required by the agency. This includes: establishment of a relocation center if needed, selection and management of subcontractors, ongoing workshops, and attend required project meetings to address financial and budget updates.

Move Management Services

XVI. Move Management Services Pricing

Move management services are the only services performed under this SIN. Transportation and storage of employees' household goods is required to be provided through GSA's Centralized Household Goods Traffic Management Program (CHAMP). Pricing for this SIN accordingly must not include pricing associated with services provided under CHAMP. The fee for move management service is a fixed fee payable by the Contracting Agency to the Contractor. Contractor catalog pricing is inclusive of the full slate of services listed. Agencies are encouraged to negotiate the Contractor move management fee based upon volume and services required. The Contractor shall not charge the agency more than its Schedule catalog fee.

CHAMP uses a tender procurement method under authority provided in 40 U.S. Code § 501. Contractors must fully understand CHAMP's terms, conditions, and requirements. This includes the Request for Offers (RFO) rules and restrictions for providing rate quotes; the Household Goods Tender of Service (HTOS) requirements for domestic shipments and the rate basis and requirements for international shipments; the GSA500A Tariff rate basis for domestic shipments; and the scope of packing and shipping services. The Schedule Contractor must monitor CHAMP Transportation Service Provider (TSP) services to ensure consistency with the terms and conditions of CHAMP.

CHAMP pricing and processes are designed to incorporate best pricing and transparency for agencies. The Contractor may not accept a commission paid by the TSP. Requiring payment of a commission in exchange for

using the TSP is strictly prohibited. The Contractor may not require the TSP to pay any fees or costs outside of the terms and conditions of CHAMP.

Costs associated with the transportation and storage of household goods are transacted through CHAMP (not the Schedule) and billed to the agency by the TSP and are based upon the General Transportation Rates (G Rates). The G rates may be either the general program G rates or rates filed specifically for an Agency for which GSA has established an Agency Specific alternating or non- alternating Standing Route Order (SRO). The rates are available to agencies in GSA's Transportation Management Services Solution (TMSS) system. In TMSS, these Agency-Specific SRO rates are identified by a 5-position alpha code and an asterisk (*) in addition to the G on the TMSS query screen. The transportation and storage rates charged by the TSP must be those filed in TMSS for the particular traffic lane.

The order will be placed with the TSP directly from the agency, or the agency may delegate this responsibility to the Contractor. Agencies may delegate management of the invoicing and payment process to the Contractor and request a consolidated bill that includes both the move management fee and transportation charges. See Specific Requirements below for more detail.

See SIN 531_Employee Relo_Pricing Template.xlsx.

XVII. Move Management Services Requirements

The Contractor shall provide, in compliance with Government regulations and procedures, all labor, materials, supervision, and resources to provide management of household goods shipment (domestic and international), boats, and mobile homes services from initial notification of move through completion of all move-related transactions.

Services available under this SIN may include the following services that may be procured by the agency in the BPA or task order. Agencies must identify the specific services and detail agency requirements for each service.

A. Entitlement and Pre-Move Counseling

Entitlement counseling may include discussion of personal property authorizations/entitlements, agency specific policy and industry practices affecting the move. The Contractor is encouraged to have a web-site in addition to a toll free number that the employee and agency can access for information, communication, and shipment status and to download forms which may be necessary in the process. In the BPA or task order, the agency should detail any specific requirements and service expectations.

B. Transportation Service Provider (TSP) Selection

Selection of a CHAMP TSP shall be subject to the requirements set forth in 41 CFR 102-117. It is the responsibility of the ordering agency to determine the TSP selection process, and the agency may delegate responsibility for TSP selection to the Contractor. Ordering activities are required to use the CHAMP TSP that provides the overall best value to the agency (see 41 CFR 102-117.100 & 41 CFR 102- 117.105). The Contractor will use the CHAMP rate filing system, the Transportation Management Services Solution (TMSS), to determine the best value for the agency. If the agency has identified a core group of CHAMP TSPs from which to choose then the Contractor will make the selection from that group based upon the criteria identified by the agency. Only under unique and special circumstances may the Contractor request a One-Time-Only (OTO) rate from a CHAMP TSP following the requirements described in CHAMP and any agency- specific requirements. Agencies must provide prior approval for use of OTO rates. If a TSP is approved for a traffic lane and did not file rates for that lane, they may not provide an OTO. To offer an OTO under CHAMP, a TSP must be approved for the applicable program, i.e., domestic or international. In the BPA or task order, the agency should detail any specific requirements and service expectations.

C. Ordering TSP Services

The agency may issue the order for transportation and storage services directly to the TSP or may delegate responsibility to the Contractor. This service must be performed according to the requirements set forth in 41 CFR 102-117, 41 CFR 102-118, U.S. Government Freight Transportation Handbook and any CHAMP requirements. This may not be procured as a stand-alone service but may be included with other move management services. In the BPA or task order, the agency should detail any specific requirements and service expectations.

D. Cost Estimates

The Contractor is responsible for obtaining a cost estimate from the CHAMP TSP according to CHAMP requirements. The Contractor must advise the agency of any changes that occur throughout the process that impact the initial

estimate. If the employee requests services that are not the Government's financial responsibility, the Contractor shall notify the agency and employee and receive written agreement from the employee. The TSP must be paid for services rendered and under no scenario will be asked to collect excess costs from the employee. The Government shall assume no liability for the debt made by the employee. In the BPA or task order, the agency should detail any specific requirements and service expectations.

E. Coordination of the Transportation and Storage of Goods

The Contractor is responsible for monitoring shipments throughout the process and ensuring services performed are authorized. This may include a web-based, mobile system to provide shipment visibility. The Contractor shall ensure that the household goods are picked up and delivered on the agreed-upon dates established by the Contractor, CHAMP TSP, and the employee. In the BPA or task order, the agency should detail any specific requirements and service expectations.

F. Quality Control and Service Performance Audit

The CHAMP Form 3080 and Customer Satisfaction Index is the evaluation program for TSP performance. The TSP is responsible for initiating the Form 3080 through TMSS. The agency may delegate responsibility for monitoring the employee responses in TMSS and/or assisting the agency in evaluating the TSP. Contractor responsibilities include: ensuring the TSP initiated the Form 3080 to every transferring employee upon completion of the move; reviewing responses, resolving issues, and escalating to the agency as needed. The Contractor must conduct an independent service performance review of transportation billings and have each billing certified by line item to determine whether billed services (including any services specifically requested by the employee) were or were not necessary, properly authorized, and/or actually performed. This review is unrelated to an agency's audit of the actual billing charges. The Contractor shall furnish the certification along with the transportation billing to the prepayment auditor for audit of the actual transportation charges. In the BPA or task order, the agency should detail any specific requirements and service expectations.

G. Claims Preparation, Filing, and Settlement Assistance

The agency may authorize the Contractor to assist the employee in preparing, filing, and negotiating claims according to the terms and conditions of CHAMP. The Contractor shall assist the employee with negotiating a settlement offer, consistent with the TSP's liability, and in the case of an impasse must refer the complete file to the ordering agency. In the BPA or task order, the agency should detail any specific requirements and service expectations.

H. Prepayment Audit

Prepayment audits are the responsibility of the contracting agency. Prepayment audit plans are established by the agency and approved by the GSA Transportation Audits Division. Services must meet all requirements set forth in the Federal Management Regulation (FMR) Part 102-118 and satisfy the requirements of the agency's prepayment audit plan and reporting requirements. It is incumbent upon the agency to ensure its prepayment audit plan is free of any conflicts of interest. In the BPA or task order, the agency should detail any specific requirements and service expectations.

I. Submission of Invoices to GSA's Postpayment Audit Division

The Contractor must prepare and submit to the GSA Audits Division all required documentation to satisfy the post payment audit requirements identified in 41 CFR 102-118 and the U. S. Government Freight Transportation Handbook. Documentation must be submitted either electronically or via Compact Disk (CD). The Contractor may contact GSA Audits Division with any questions regarding the postpayment audit submission requirements. In the BPA or task order, the agency should detail any specific requirements and service expectations.

J. TSP Payment

The agency can pay the TSP directly or the agency may request that the Contractor pay the TSP for services and provide a consolidated invoice to the agency that includes the transportation/storage charges and a separate line item charge for the move management services. The TSP invoice and all documentation will be provided to the agency as supporting documentation for the consolidated invoice. The Government is required to comply with provisions of the Prompt Payment Act (31 U.S.C. 3901(a)(5)), and the CHAMP TSP must be paid within this timeline. If the agency pays the CHAMP TSP directly, then the Contractor must ensure that within 7 working days of receiving the TSP's bill, it has completed the service performance and prepayment audits and has the consolidated transportation/move management billing, accompanied by the service performance audit certification, in the hands of the ordering agency for payment. The Contractor shall not be liable for any late payment interest charge the agency may accrue on a transportation payment that does not meet the foregoing date requirement. If the agency is delegating responsibility for payment to the CHAMP TSP, then the Contractor must meet the requirements of the

Prompt Payment Act and is responsible for any interest charges due to the TSP. In the BPA or task order, the agency should detail any specific requirements and service expectations.

K. Move Management Reports

The ordering agency shall determine the reports required and at what intervals. Reporting for GSA ERRC is described under the Reports section of this Requirements document. Within the BPA or task order, the agency should detail any specific requirements and service expectations.

Property Management Services

XVIII. Property Management Services Pricing

See SIN 531_Employee Relo_Pricing Template.xlsx.

XIX. Property Management Services Requirements

The Contractor shall provide management of the employee's residence at the old duty station upon request from the agency in accordance with the FTR, Chapter 302-15, Allowance For Property Management Services. Within five (5) work days of the date of telephone contact, the Contractor will mail the employee information pertaining to the property management program services. Information to be mailed shall include a description of the property management process and all procedures the Contractor will use pursuant to this section. The Government desires user friendly brochures and literature that provide accurate guidance and instructions to agencies and relocating employees. At the end of the property management period, the Contractor may, but is not required, to offer continued property management to the employee at such fees and under such contractual arrangements as the Contractor and the employee agree to.

The Contractor shall indemnify the Government against any claims that may arise from any private arrangement between the Contractor and the employee.

Property Management Services shall include, but are not limited to:

A. Prepare a Property Management Agreement with employee

Property Management Agreement means the instrument authorizing Property Management contractor to serve, under certain specific conditions, to rent and manage the Property in U.S. locations with defined terms.

B. Provide rental market analysis to establish appropriate monthly rent value

Rental market analysis means the report prepared prior to the leasing of a Property, to identify a reasonable anticipated rental value for a particular U.S. Property, based on current Comparative Market Analysis.

C. Coordinate marketing strategy utilizing available methods of advertising, including MLS (multiple listing service) where applicable

Using the rental market analysis as a reference point to develop marketing strategies for the Property and review these marketing strategies with the employee prior to implementation.

D. Assist in prospective tenant application process, including tenant screening, pre-qualification

Tenant candidates will be screened as to financial creditworthiness, employment stability, and prior residence references.

E. Provide lease procurement and negotiation assistance

Negotiate renewal or extension of lease agreement with employee approval. Lease negotiation includes procurement of the agreement which will govern the obligations as between the Tenant occupying the Property and the employee.

F. Administer rent collection process on monthly schedule for tenant occupied properties

Collect security deposit maintaining in escrow (interest/non-interest-bearing accounts) as required by local laws. Managing agent will use reasonable, best efforts to exercise due diligence in collecting rent and other income under

lease terms, but shall not be obligated to institute any legal actions or proceedings except as provided in the Property Management Agreement or as directed on behalf of employee.

G. Establish set monthly expense requirements with employee, which may include mortgage, tax, insurance, utilities, and maintenance payment management

Employee shall provide necessary documents to support any costs and expenses incurred in the course of maintaining the Property to include, but not limited to: mortgage payments, taxes, utilities, maintenance/repair charges, insurance premiums, leasing commissions, and professional/specialty inspections as warranted. Establish a set pre-authorized amount for approval of repairs.

H. Coordinate and dispatch service for requested or required maintenance work orders to the property, including routine or emergency service requests

Will make or cause to be made such ordinary repairs and/or alterations at reasonable cost to the Property as may be advisable or necessary, in accordance with the terms and provisions of the Property Management Agreement, and upon reasonable review with employee, except in those emergency situations where the Property or tenant's safety or welfare warrants immediate response and employee is not able to respond timely to proceed to effect such necessary repairs in an expeditious and cost-effective manner. Contractor must notify employee in writing of work needed and the cost prior to the work being performed. The agency is authorized to approve repairs up to an amount agreed upon by Agency, Employee and Contractor if the Employee is not available to authorize repairs. Will provide documentation of completed repairs to employee and/or agency (as needed).

I. Maintain operating reserve account of employee funds to cover monthly expenses in addition to emergency reserve allowance

Employee is responsible for account deficits. Employee shall be wholly responsible for all property carrying costs (as may be adjusted by rental income) incurred. Employee shall provide adequate funds to cover monthly expense and cost obligations to managing agent at all times, including any and all deficit of such Property Carrying Costs.

J. Validate and process payment of property expenses

Provided employee operating reserve account warrants, agent shall pay, on behalf of the employee, such property carrying costs relating to the property.

K. Coordinate property inspections (site evaluations), including employee move-out; tenant move-in; tenant move-out; employee move-in; and routine (quarterly) tenant occupied or bi-weekly vacant property evaluations

The Property will be evaluated with a site visit to confirm overall condition and “market- readiness,” to include discussion with the employee to which items will remain in the Property and any special service requirements which may be necessary while the employee is away. NOTE: Status of condition during quarterly or routine evaluations; employee move-out, tenant move-in; tenant move-out, employee move-in shall be documented by date stamped photographs. Routine site evaluation shall be conducted as allowed by state or local laws and reports and photos sent to employee. Agency may request reports, photos and documentation of repair needs.

L. Provide monthly employee ledger statements of account including income and expenses for the period

Monthly employee income/account summary statement means a report summarizing the financial status and detailing expenses of a Property which will be submitted to the employee on a monthly basis.

M. Provide year-end account summary, in addition to 1099-MISC preparation for employee tax assistance

Employee income/account summary statement provided annually to provide documentation of income reported by 1099-MISC.

N. Coordinate and assist employee with potential tenant lease default, including non-financial coordination of eviction processes where requested

Employee is responsible for financial costs affiliated with tenant eviction proceeding. Employ best efforts to manage the Property exercising due diligence to enforce lease compliance while not obligated to institute any legal action or proceeding except as provided in the Property Management Agreement or as directed by employee at employee’s cost.

O. Assist employee in employee return procedure, including account reconciliation at conclusion of relocation term

Upon the employee's return, a move-out inspection form and property site evaluation will be completed with the Tenant present to confirm the condition of the Property. Amounts necessary from a Tenant's security deposit to compensate for conditions to the Property that are in excess of "ordinary wear and tear" will be administered on behalf of employee. Coordination of the return to property shall be discussed with employee and may include, but is not limited to, assistance with utility transfer, property clean up and repairs.

Relocation Services (Additional)

XX.Relocation Services (Additional) Pricing & Requirements

The Contractor may provide additional services if approved in the GSA Schedule contract, such as, cost of living analysis, closing assistance, expense management, rental management, entitlement counseling, international move assistance. Service requirements are defined in the agency BPA or task order.

See SIN 531_Employee Relo_Pricing Template.xlsx.

Definitions

Acquisition Direct Costs: Shall mean the costs incurred by Contractor during the offer period. These costs include but may not be limited to; appraisals, home inspections and title work.

Agency Move Coordinator (AMC): An individual within each Government agency designated as the primary liaison between that ordering agency and the Contractor. The Coordinator shall act within the scope of the contract and may not amend or modify the contract. The Coordinator shall be the contact point in settling disputes between the employee and the Contractor.

Amended Offer: Shall mean an offer extended to a relocating employee from the Contractor to purchase the employee's property based upon a Bona Fide Offer from a qualified outside buyer that provides an equal to or greater than net cash return than the Appraised Value Offer would provide. The Offer is amended to reflect an equal or higher net offer amount.

Amended Value Transaction: Shall mean the type of homesale transaction that occurs when the relocating employee receives a Bona Fide Offer from a qualified buyer before the employee has accepted an Appraised Value Offer from the Contractor. The Contractor amends its offer to match the outside sale price.

Amend-from-Zero Transaction: Shall mean the type of homesale transaction that occurs when the relocating employee receives a Bona Fide Offer from a qualified buyer before the employee has received an Appraised Value Offer from the Contractor.

Anticipated Sales Price: Shall mean the price at which a property most probably would sell if exposed to the market for a reasonable time with payment to be made in cash or its equivalent. For purposes of this contract, anticipated sales price shall mean the price the property would command in an "as is" condition, except that adjustments may be made to reflect any repairs and inspections required to bring the property into conformance with applicable laws ordinances and codes.

Appraisal: Shall mean the process by which the Anticipated Sales Price of a residential housing unit, using the market data approach to value, is established. Also, it shall mean the form on which the Anticipated Sales Price is reported. The purpose of this appraisal is to establish the Anticipated Sales Price for a relocated employee's residence and assumes an arm's length transaction. This is done in accordance with the procedures outlined in the Worldwide ERC© Appraisal Guidelines, using the Worldwide ERC appraisal form.

Appraisal Guidelines: Appraisals are to be conducted by Designated Certified Appraisers in accordance with current Uniform Standard of Professional Appraisal Practice (USPAP) as published by the Appraisal Foundation Organization and industry-accepted guidelines, such as the Worldwide ERC© Appraisal Guidelines. The appraisers shall use the 2010 Worldwide ERC appraisal report. *Where USPAP and/or Worldwide ERC© guidelines conflict with contract requirements, the contract shall prevail.*

Appraised Value Offer: Shall mean an offer extended to a relocating employee from the Contractor to purchase the employee's property based upon the average of a specific number of Appraisals conducted by Designated Certified Appraisers.

Appraised Value Transaction: Shall mean a contract of sale accepted by a relocating employee from the Contractor to buy the employee's Home based upon the Appraised Value Offer.

As-is Condition: Shall mean the property "as-is" on the date of the appraisal (inspection) with adjustments made to reflect reactions from a typical buyer's point of view. These adjustments should reflect the comparative differences between the subject property and similar properties in that market. The actual cost to cure may not be the appropriate measure for this adjustment.

Authorization: Shall mean when an agency informs the Contractor in writing or electronically that an employee is eligible to receive contracted services.

Bill of Lading (BL): An accountable shipping document used for the acquisition of authorized transportation and related services from commercial TSPs for the movement of GSA sponsored household goods shipments. Sometimes referred to as a commercial bill of lading, but includes a Government bill of lading (GBL). Bill of Lading also means the document used as a receipt of goods, a contract of carriage, and documentary evidence of title. See Federal Management Regulation, Code of Federal Regulations (CFR) 41 CFR 102-117 Transportation Management, 41 CFR 102-118 Transportation Payment and Audit and the U.S. Government Freight Transportation Handbook for GBL terms and conditions applicable to Federal Government shipments.

Bona Fide Offer: Shall mean an offer from an able and willing buyer, not contingent upon the sale of the potential buyer's home and can reasonably be expected to go to settlement at its original terms and conditions within 60 days of execution of the offer agreement. The offer must not contain any contingencies except those providing that the purchaser must qualify for financing under terms or conditions generally prevailing in the marketplace at the time the offer is made and those providing that the seller must convey marketable and insurable title.

Broker Market Analysis (BMA)/Broker Price Opinion (BPO): Shall mean a broker's written market analysis of recent comparable sales and listings with suggestions for marketing strategies.

Broom Clean Condition: Shall mean the condition that the property is left, when vacated by the employee and family, or tenant. The property shall be in substantially the same condition as appraised and all major components in acceptable working order, with the interior, exterior and out-buildings free of debris, paint cans, tools and other belongings. The Contractor's realtor representative is required to perform a walk-through within two (2) days of formal acquisition or employee's vacate date, whichever is the later, prior to final equity disbursement. The agent/broker is to confirm to Contractor that the property is broom clean with no debris or personal property left behind. Contractor is required to notify agency and employee of any problems within one (1) day of the receipt of the agent/broker inspection report.

Buyer Value Option (BVO) Transaction: A buyer value option transaction is a variation of the amended value transaction in which no appraisals are obtained and no initial offer is made by the Contractor, to the employee. Although these transactions are sometimes referred to as "amend-from-zero" or "offers prior to appraisal," there is no initial appraised value offer to "amend." Rather, the only unconditional offer is made at the "buyer value," that is, the fair market value as determined by a Bona Fide offer from a potential buyer.

Centralized Household Goods Traffic Management Program (CHAMP): GSA's tender-based personal property shipment and storage program for transportation of household goods, unaccompanied air baggage, and privately owned vehicle(s).

Closing Costs: Shall mean expenses incidental to the sale of real estate, including broker commission, loan, title and appraisal fees.

Comparable Property Criteria: Shall mean the comparable properties selected by the appraisers or offered by the employee for consideration. The comparables must be in the same neighborhood, development, subdivision or complex unless there are not sufficient comparable sales, in which case the appraisers may use comparables from the general market areas as they deem appropriate. For homes in markets in which property foreclosure sales and listings constitute a significant percentage (at the discretion of the appraisers unless a specific percentage point is agreed upon at the task order or BPA level), appraisers should notify the Contractor of intent to use those comparables PRIOR to establishing the Anticipated Sales Price of the home and provide documentation from the

appraisers explaining why the foreclosure(s) must be used as comparables. Contractor must then apprise the ordering agency of the appraiser's intent to use foreclosures and forward copies of documentation to the ordering agency. Agency is encouraged to verify local foreclosure trends. If an appraiser cannot identify comparables per these criteria, appraiser must immediately notify the Contractor prior to completing the appraisal.

Contract Price: Shall mean the price at which the Contractor agrees to purchase the employee's home, whether as an Appraised Value Offer, Amended Offer, Amend-from-Zero Offer, or Buyer Value Option Offer.

Contract of Sale: Shall mean a contract the buyer initiates which details the purchase price and conditions of the transaction and is accepted by the seller. Also known as an agreement of purchase.

Contracting Officer (CO): Shall mean the individual at GSA authorized and warranted to issue this contract and to make subsequent modification(s). The CO has the authority to make final determinations on matters of dispute regarding this Requirements document of this contract.

Contractor: Shall mean a third party provider of relocation services where services are purchased by the Government under the terms of this Requirements document. Also known as Relocation Services Company.

Deed-in-Blank: Shall mean a document that conveys title to the property from the employee to the Contractor when the Contractor's name is not on the deed. This occurs when a property may not yet be resold to an outside buyer when the employee executes the sale. Typically, the employee provides the Contractor power of attorney to allow the Contractor to insert an outside buyer's name on the document at a later date.

Delayed Appraisal: Shall mean a process where an agency has designated a specific period of time allocated for the Contractor to provide listing and marketing assistance in accordance with the agency guidelines before the appraisals are ordered. The time allotted is designated at the BPA or task order level.

Designated Certified Appraiser: Shall mean an individual who meets all the requirements of applicable laws to practice as an appraiser and/or be certified in states and/or localities that have certification and/or licensing requirements for appraisers. Specific criteria for a designated certified appraiser include:

- Primary income from single-family residential appraising (not from commercial and not from acting as a real estate broker)
- Have knowledge and experience in using industry-accepted relocation appraisal guidelines, such as the Worldwide ERC appraisal form and standards
- Familiar with market condition in areas of home location
- Access to current location market data through multiple listing service or other home list and sale data service, when available
- No present or future interest in the home, nor have a relationship that would affect an independent judgment in determining Anticipated Sales Price
- Not be a Government employee and not be related to the employee or the Contractor by blood or marriage
- Not have a relationship with the employee or the Contractor (personal or business) that would affect the objectivity and/or independence of the Appraisal
- Not have appraised the home within the prior six months
- Have ability to perform and deliver the Appraisal in accordance with Contractor specified timeframes
- Appraiser's fee is not based on a percentage (%) of the appraised value of the home or be contingent upon the sale of home

Direct Reimbursement of Homesale Expenses: Shall mean the reimbursements provided to an employee who has been authorized for relocation expenses and is entitled to reimbursement of homesale expenses under the FTR §302-11.200. Contractor may provide home marketing services designed explicitly for direct-reimbursement Homesale efforts.

Disclosure Statement: Shall mean a statement made available to potential buyers that lists known information or defects relevant to the home. A local state disclosure statement may be required in addition to the disclosure statement from Worldwide ERC.

Domestic Move: The movement of a relocated Government employee's household goods between points in the United States (U.S.) (including the District of Columbia and Alaska but excluding Hawaii) and between points in the U.S. (including the District of Columbia and Alaska but excluding Hawaii) and points in Canada.

Double-Deed Recording Fees: Shall mean those fees levied in selected states (nine states as of January 2010) that do not permit use of Deed-in-Blank and require deeds to be recorded for each sale transaction (meaning the sales transacted between the employee and the Contractor and then separately between the Contractor and the buyer).

Employee: Shall mean an eligible Federal civilian or active duty service member of the Department of Defense.

Employee's Immediate Family: As defined in Federal Travel Regulation 300-3.1.

Equity Loan (a.k.a. Equity Advance): An equity loan is a method for transferring employees to obtain a percentage of their available equity prior to accepting an appraised, amended or BVO (or other home sale transaction) offer from the RSC. An equity loan is typically without interest and must meet a number of criteria established in IRS regulations. The employee is typically required to sign a promissory note document(s) to receive the loan.

Expiration Date: Shall mean the date by which the employee must accept or reject the offer for participation in the homesale program at the end of the Offer Period (as defined herein). Contractor will clearly identify the expiration date on the offer and will communicate the date verbally to both the ordering agency and employee. Expiration dates can only be extended with the agreement of the ordering agency, Contractor and employee and any costs incurred for updating of appraisals or inspections shall be borne by the Contractor.

Extended Storage: Service for long-term storage, other than storage-in-transit, of personal property at the Owner's or Government's expense. Also known as permanent storage or non-temporary storage.

Federal Management Regulation (FMR) Subchapter D Part 102-117: Transportation Management, addresses shipping freight and household goods worldwide. Household goods are not Government property, but are employees' personal property entrusted to the Government for shipment.

Federal Management Regulation (FMR) Subchapter D Part 102-118: Transportation Payment and Audit interprets statutes and other policies that assure that payment and payment mechanisms for agency transportation services are uniform and appropriate. This part communicates the policies to agencies and Transportation Service Providers (TSPs).

Federal Travel Regulation: Shall mean the Federal Travel Regulation (FTR) (41 CFR Chapters 300-304) that governs travel and transportation allowances for Federal civilian employees. Chapter 302 of the FTR governs relocation allowances and is available for review on the Internet at **www.gsa.gov/ftr**.

Forecasting: Shall mean the process of analyzing historical trends and current factors as the basis for anticipating housing market trends. (In order to reflect any impact these trends will have on the subject property's marketing time and sales price, a forecasting adjustment must be consistently applied to each comparable sale).

Foreclosure: Shall mean the legal process reserved by a lender to terminate the borrower`s interest in a property after a loan has been defaulted. When the process is completed, the lender may sell the property and keep the proceeds to satisfy its mortgage and any legal costs. Foreclosed primary residences may or may not be eligible for the homesale program depending on how far along in the foreclosure process and the agency may be charged the fee under Special Handling. Contractor is responsible for alerting the agency immediately upon knowledge of foreclosure, or default.

GSA Tariff: The GSA tariff (aka GSA500A) serves as the principal domestic tariff that governs the transportation of household goods (HHG), personal effects, property and other similarly defined articles between points in the United States (U.S.) (including the District of Columbia and Alaska but excluding Hawaii) and between points in the U.S. (including District of Columbia and Alaska but excluding Hawaii) and points in Canada for the account of the U.S. Government – GSA – in accordance with the terms and conditions of GSA's Centralized Household Goods Traffic Management Program (CHAMP). This tariff is published and maintained by GSA

Home: Shall mean a completed residential dwelling, including a condominium or townhome, that is used as the employee's principal residence and is the address from which the employee commutes to his/her permanent duty station on a regular basis, including land customarily considered part of a residential lot as well as all personal property normally sold with a residence according to local custom, and that is owned by the employee, and/or the employee's Immediate Family, as described under FTR. Duplex or multi-family homes are eligible (with pro-rated fee as determined by FTR) under Special Handling.

Home Not Insurable: Shall mean a home that does not meet applicable industry criteria for the issuance of a standard form homeowners insurance policy at standard market rates as determined by a reputable insurance company authorized to conduct business in the area or a home in which the employee does not hold insurable title,

as determined by a reputable abstract or title company authorized to conduct business in the area. Insurer may be a local insurance firm or national firm.
Home That Cannot Be Financed: Shall mean a home that does not meet generally applicable industry criteria for a mortgage loan at standard market rates, as determined by a reputable institutional lender, e.g., bank, savings bank or Mortgage Company authorized to conduct business in the area, including local lenders. Criteria for mortgage loans shall not be limited to particular types of loans, such as FHA, VA or loans eligible for repurchase under guidelines established by organizations such as "Fannie Mae" and "Freddie Mac."

Household Goods Tender of Service (HTOS): The HTOS specifies the Centralized Household Goods Traffic Management Program's (CHAMP's) standards for transportation, additional services, and storage-in-transit of the personal effects and property of federal employees relocating to another duty station. It establishes documentation and reporting requirements and defines duties, rights, and responsibilities of the CHAMP Transportation Service Provider, the Government agency procuring services, the relocating employee, and GSA. It provides guidance for the resolution of problems.

Industrial Funding Fee (IFF): Shall mean GSA's contracting and management fee that is built into the supplier's price for the services contracted under this Schedule. Contract prices charged to ordering activities include the industrial funding fee (IFF). Move Management: The Contractor is responsible for paying the 0.75% IFF to GSA which is a percentage of the move management fee. The CHAMP TSP is responsible for paying the applicable CHAMP IFF on the transportation charges and reporting the shipment through the CHAMP TMSS system.

Inspections: Shall mean a professional examination of a home`s major components which may include exterior, foundation, framing, plumbing, septic, electrical system, heating, air conditioning, fireplace, kitchen, bathroom, roofing and interior. Additionally, inspections may be performed to identify evidence of infestation or contamination or other condition as described in this Requirements document.

International Move: The door-to-door container movement of HHG in liftvans between CONUS (including Alaska and Canada) and an international country or off-shore location, or between two international countries or off-shore locations in liftvans. A TSP provides complete through service from origin residence to destination residence by surface or ocean means.

Joint Travel Regulation (JTR): Shall mean the regulations in this document pertain to per diem, travel and transportation allowances, relocation allowances, and certain other allowances of Uniformed Service members (including regular and reserve components). The Joint Travel Regulations may be found at https://www.defensetravel.dod.mil/Docs/perdiem/JTR.pdf.

Mandatory Marketing Period: Shall mean the period of time during which an employee authorized for homesale services is required to make a good faith effort to market the home. Typically, during the Mandatory Marketing Period, the employee must market the home at a price not to exceed a specified percentage of the average of two Broker's Market Analyses (BMAs) or Appraisals.

Marketing Time: The average list-to-sell time for residential properties shall not exceed 120 calendar days.

Mobile Home: Shall mean a home designed with a frame for moving from one location to another. The basic design is the determining factor. Typically, behind the cosmetic work fitted at installation to hide the base, there are trailer frames, axles, wheels and /or tow-hitches. Additional factors include the presence of a HUD 1 sticker located on the structure, a permanent foundation, taxed as real property and financed with a FHA, VA or conventional mortgage. Modifications that may have been made to the structure after it was moved to a specific location are not relevant. Applicable state and local laws addressing the definition of mobile homes shall be considered in the interpretation of the contract. A mobile home may also be known as a manufactured home.

Modular Home: Shall mean a home that is built in sections at a factory and transported to the building site on truck(s) then constructed together by licensed contractors. Modular homes are built to conform to all state, local or regional building codes at their destinations.

Mortgage Payoff: Shall mean that the Contractor will make full payment of all monies due to employee's mortgage lender(s) at time of employee Equity Payment on an Amend-from-Zero, Buyer Value Option or Appraised Value transaction. Contractor is responsible for ensuring that all mortgage liens are released by lenders and no further obligations of any kind are held by employee. Contractor will arrange for any mortgage escrow balances, if any at time of payoff, to be paid by mortgage lender to employee. In the event that lender issues mortgage escrow balance payment to Contractor, Contractor is obligated to pay employee. Mortgage payoff requirement may be waived if at the time of closing with a third party buyer, the third party buyer has assumed the employee's mortgage(s) with a full lender approved mortgage assumption.

Mortgage Servicing: Shall mean that the Contractor shall purchase the home from the employee subject to any existing mortgages of record. Contractor will have full responsibility for the timely payment of mortgage payments as well as the subsequent payoff of the mortgage(s) upon close of the resale of the property or when the circumstances surrounding the mortgage(s) dictate that the mortgage(s) be paid off sooner, such as the need to free up employee VA/FHA benefits or the mortgage lender initiates rights for any due on sale provisions. Contractor will pay to employee the full balance of the mortgage escrow, if any, at time of the equity disbursement. Said payment should be made and documented as a credit to employee at time of Equity Payment. If the lender refunds the escrow balance directly to the employee upon resale closing or payoff by Contractor, after the employee has received the full balance of the escrow from the Contractor, the employee must remit those funds to the Contractor. If mortgage payments from the Contractor are not made in accordance with lender payment schedules, ordering agency may assess penalty fees to the Contractor up to $2,500 per employee affected. Additional penalties may be specified at the agency level through BPA or task order to recover actual costs to the employee and/or agency to correct the affected employee's credit report. Contractor is required to transfer title of the property within 150 calendar days of acquisition, or upon closing of the Amended Value/BVO transaction, whichever is sooner.

Move: Shall mean the activities associated with the shipment and storage of an employee's personal property in connection with a relocation. More than one Bill of Lading may be issued for a move, for example an UAB and HHG shipment.

Move Management Services: Shall mean the end-to-end process of coordinating the transportation and storage of a relocating employee's personal property which may include the services defined in this Requirements document.

Negative Equity: Shall mean a situation in which the market value of a mortgaged asset is below the amount of the loan or mortgage taken against it, also called deficit equity.

OCONUS: See International.

Off-List Supplier: Shall mean a relocation homesale service supplier such as appraiser, real estate agent or inspector that is not in the Contractor's network of authorized suppliers.

Offer Period (or Acceptance Period): Shall mean the period of time between the date Contractor extends the written offer to the employee and the expiration date of the offer; typically 60 days but may be up to 90 days as specified by task order or Blanket Purchase Agreement between the ordering agency and Contractor.

Personal Property: Shall mean the employee's personal property which may consist of one or all of the following: household goods (HHG); 2) unaccompanied air baggage (UAB); and 3) privately owned vehicles (POV).

Prepayment Penalty: Shall mean a monetary penalty imposed by a lender on a borrower who pays a loan off within a specific time parameter of the origination of the loan (typically specified in mortgage loan instrument). Prepayment penalty expenses are reimbursable under the FTR §302-11.200(f)(7) as stated below:
"*Charge for prepayment of a mortgage or other security instrument in connection with the sale of the residence at the old official station to the extent the terms in the mortgage or other security instrument provide for this charge. This prepayment penalty is also reimbursable when the mortgage or other security instrument does not specifically provide for prepayment, provided this penalty is customarily charged by the lender, but in that case the reimbursement may not exceed 3 months' interest on the loan balance;"*
Contractor may not charge for a prepayment penalty unless the penalty is not specified by mortgage or security instrument but is customarily charged, and in these instances, the Contractor must absorb the first three (3) months of said penalty, charging the employee only what is in excess of three (3) months.

Privately Owned Vehicle (POV): Any motor vehicle owned by, or on a long-term lease (twelve (12) or more months), an employee or that employee's dependent for the primary purpose of providing personal transportation. Refer to the Federal Travel Regulation (FTR 41 CFR Part 302) for complete details).

Professional Books, Papers, and Equipment (PBP&E): Shall mean those items which the employee uses in the performance of official duties. If identified and approved, these items are not charged against the member's authorized weight allowance.

Reevaluation Process: Shall mean an opportunity afforded to the employee to contest the Appraised Value Offer made by the Contractor by providing additional objective information to be evaluated by the original appraisers which could result in a higher, equal, or lower offer for the employee's home.

Relocation Services Company (RSC): Shall mean a third party provider of relocation services where relocation services are purchased by the Government. The Relocation Services Company is also known as; Relocation Management Company, Home Purchase Company, Third-Party Relocation Company, Relocation Services Contractor or Move Manager. For the purpose of this Requirements document, the Relocation Services Company shall be referred to as Contractor.

Request for Offers (RFO): The RFO specifies the rules and restrictions for TSP's participating in the Centralized Household Goods Traffic Management Program (CHAMP) to provide rate quotes.

Shipment: A single load of household goods, Unaccompanied Air Baggage or a Privately Owned Vehicle consigned to a TSP for movement from origin to destination on a single set of shipment documents.

Short Sale: A short sale is a sale of real estate in which the proceeds from selling the property will fall short of the balance of debts secured by liens against the property and the property owner cannot afford to repay the liens' full amounts, whereby the lien holders agree to release their lien on the real estate and accept less than the amount owed on the debt. Short sale agreements do not necessarily release borrowers from their obligations to repay any deficiencies of the loans, unless specifically agreed to between the parties.

Special Handling Transactions: Shall mean eligible homes otherwise permitted under the FTR but which are determined by the Contractor and the agency to be either especially difficult to sell or where the property value is especially difficult to determine. Prior agreement between the Contractor and agency would be required before a property would be handled in this manner. This determination and agreement should be made BEFORE the Contractor extends an offer to the employee. If a Contractor refers a home for Special Handling per the criteria described in this Requirements document and the agency does not agree, the agency may pull the home from the homesale program and reimburse the Contractor for actual expenses incurred to date for appraisals and/or inspections up to limits specified in this Requirements document or as specified in a BPA or task order. Agency BPAs and task orders should specify criteria and processes for referring homes for Special Handling transactions.

Storage-In-Transit (SIT): Storage-In-Transit (SIT) shall mean the temporary storage of a HHG shipment placed in a warehouse facility, other than extended storage of a HHG shipment incident to final delivery.

Title: Shall mean any interest held by the employee in the home. For purposes of the homesale Services portion of this contract, "title" shall mean any interest in real estate that is marketable and insurable under applicable state law. In addition to fee simple interests, "title" includes rights held under land contracts, recorded long-term ground leases with a minimum 50 years remaining on the time of the lease. For the purpose of the relocation programs, the title shall be clear and marketable in accordance to standard and acceptable real estate practice, as determined by a title search performed by the Contractor.

Transportation Management Services Solution (TMSS): Shall mean GSA's web-based system that allows Federal agencies to manage transportation from the time they book a shipment until payment is made. TMSS can perform the following tasks: acquire cost comparisons, book shipments and related services, generate bills of lading, track and trace services requested, view proof of delivery, pay for transportation, resolve billing disputes, file and settle loss and damage claims, and perform pre- and post-pay audits.

Transportation Services Provider (TSP): This term refers to a household goods carrier or forwarder and means a firm engaged in the transportation, for compensation or hire, of used household goods by means of motor vehicles being used in the transportation. TSPs possess the appropriate Federal and State operating authorities for the routes they serve. This term includes all of the TSP's agents and carriers it employs to perform the required services. TSPs must be approved in CHAMP and refers to the firm approved to file rates.

Unaccompanied Air Baggage (UAB): The necessary personal items that are taken to an owner's new duty station before his/her shipment of household goods arrives. The determination of items considered as UAB is at the discretion of each agency. Where gross weight of a UAB shipment exceeds its volume weight, the TSP must charge for gross weight.

Vacate Date: Shall mean the date by which the employee or employee's Tenant must vacate and deliver the home in broom clean condition (see definition of broom clean condition).

Work Days: Shall mean Monday thru Friday, exclusive of Federal holidays, aka business days.