



City of CHARLOTTE

MEMORANDUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: Agreement for listing City properties

DATE: July 8, 2016

I have previously reported that we received only one expression of interest in listing parcels of City property for sale. I have met twice with Andy Bayes of Real Estate Warehouse regarding this matter. We are now at the stage of Council's authorizing entering into a listing agreement for the sale of the two residential parcels at the Van Lieu/Seminary and Sheldon/Shaw intersections.

It is proposed that a standard listing agreement be used for this purpose. I will be asking the City Attorney to review the list agreement as to form and expect to have his approval prior to Council's final action on this matter on July 25.

We expect the initial listing price for these lots to be \$18,000 for each location. This is in excess of the costs the City incurred in acquiring them. I am seeking authorization to make reductions in listing prices over time if necessary to attract buyer interest. We will be including in the listing information details about the need for Council approval and the time required for that.

The proposal that we received establishes a commission of the greater of 6% or \$1250. Given where we expect to start with the listing price, we should anticipate paying the \$1250 for each parcel. In my experience, this commission arrangement is not typical for the sale of a developed parcel with a greater value but seems reasonable given the work associated with listing and selling vacant parcels of land.

I am not including in this listing the sale of the former Bank of America drive-through location on south Bostwick Street. I am still expecting to receive a written offer for this property.