



## **HUD Local Listing Broker Open Application Notice**

### **M&M III**

**Illinois, Indiana, Kentucky, Tennessee, South Carolina, North Carolina, Mississippi, Alabama, Georgia, Florida, Puerto Rico, U.S. Virgin Islands, Utah, Colorado, New Mexico, North Texas, South Texas, Kansas, Missouri, Arkansas, Louisiana, Oklahoma, California, Oregon, Washington, Alaska, Hawaii, N. Marianas Islands, Guam, and Samoa**

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*Thank you for your interest in working more closely with PEMCO, Ltd. and the HUD Sales Process. While it will not be possible to subcontract all applicants for the LLB positions, we wish each of you the best of luck in the application process and continued success in your HUD Home Sales.*

*~The LLB Management Team*

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## Application Instructions

**PEMCO will be accepting applications for HUD Local Listing Brokers beginning June 4<sup>th</sup> 2010. The solicitation will close promptly at the close of business July 5<sup>th</sup> 2010.**

Please download and print this entire document for application package requirements, position description and other important information. Submit only one application per state. Do not fax or e-mail applications. Application Packages should be mailed, with a delivery receipt, to:

PEMCO, Ltd  
3525 Piedmont Road  
Bldg 5 Suite 310  
Atlanta, GA 30305

### Application Package Requirements:

- **LLB Application** (pages 7 & 8 of this document)
  - Must be signed by the primary broker of the brokerage applying for LLB Position
- **IRS Form W-9**
  - Completed by the primary broker of the brokerage applying for LLB Position
- **Copy of valid broker's license for applicable state(s)**
- **Copy of valid business license for applicable state(s)**
- **Proof of General Liability Insurance**
  - Coverage must be current and brokerage insured to at least \$1,000,000
- **Brokerage and/or Agent Resume**
  - Provide a resume which identifies why you are qualified to be a HUD LLB
- **Letter of Intent**
  - Provide a letter which explains why you want to be a HUD LLB ( maximum length one page typed)
- **Sales and Marketing Plan**
  - Provide a Plan outlining how you/your brokerage will, *at a minimum*:
    - Promote a positive image of HUD and its properties
    - Market the HUD Listings
    - Market to homebuyers and promote owner-occupant sales
  - If selected for a position as an LLB, this Sales and Marketing Plan will become a part of your contract. Please keep this in mind as you outline your objectives.
- **Other**
  - You may include other pertinent information in your package as you deem necessary, however it is not a requirement for your application.

**>>Incomplete or late packages will not be considered<<**

## **LLB / LLB Application FAQ's**

### ***Q What is a Local Listing Broker?***

A. A Local Listing Broker (LLB) is a broker, along with his/her respective agents, subcontracted under PEMCO, Ltd. to list HUD Properties on the MLS, provide routine inspections and provide wide-market exposure of HUD Homes, while serving as a resource of information about HUD and its properties to local buyers, real estate agents, PEMCO, and all individuals involved in the HUD Sales Process.

### ***Q Can you explain what the LLB will actually do?***

A. Selected LLB's will be assigned a territory which encompasses the location of their business. Any properties acquired by HUD within that territory will be assigned to that LLB for listing. The LLB will perform a minimum of three inspections including, but not limited to: new acquisition inspection, ready to list inspection, and pre-closing inspection. After visiting a property to perform a visual inspection, obtain listing photographs, and place a "For Sale" sign at the property, an LLB will provide wide-market exposure for the HUD properties, where - at the very least - they list the HUD properties on an MLS with all pertinent property information, including any applicable HOA information and marking any changes to the property's status throughout the sales process. LLB's provide evidence of these MLS listings to PEMCO's Property EMS (Electronic Monitoring System), and remain in regular communication with PEMCO about the property - including notifications about property vandalism or any pertinent happenings in the field. They will update the status of the property in the MLS and upload evidence of these MLS changes in status to our EMS. LLB's also are to provide in a courteous and professional manner information about the HUD properties and/or the HUD Sales Process to all inquiring callers (agents, buyers, and HUD-PEMCO personnel), and have HUD keys for agent sales distribution at their offices. LLB's are required to provide HUD Sales Training Seminars to local agents, as well.

### ***Q What role does the LLB play in the HUD Sales Process?***

A. An LLB should be viewed as a "Team Leader" in the HUD Selling Process. A successful LLB will be a community advocate for HUD and its properties, promoting homeownership and overall marketing of the properties. LLB's and their respective teams should have exceptional standards of professionalism and customer service when interacting with the buying and selling public, and always striving to ensure both agent and buyer satisfaction with the Sales Process. The LLB's should be a team of motivated and dedicated real estate professionals who strive to excel in business and sales and who also have a genuine and vested interest in the overall quality of HUD and the selling process. The team of LLB's working with HUD and PEMCO should continually be taking a proactive approach to developing and implementing their own policies, procedures, and outreach efforts to ensure the overall success of the HUD Sales Process.

### ***Q Does the LLB contribute to the listing price?***

A. No, PEMCO will set the listing price based on a recent fair market "as is" appraisal. PEMCO however will ask LLBs to perform periodic Broker Price Opinions or Comparable Market Analysis on properties. PEMCO may also request comp info, MLS data sources or other information deemed necessary to ensure quality control and pricing.

### ***Q Who applies for a position as a LLB: a brokerage as a whole or individual selling agents?***

A. A brokerage applies for a position as an LLB. In small companies, it is possible that the entire team will be a part of the HUD Process. In larger companies, there may be one, two, or several agents who will serve as the "HUD Team" within that brokerage, and be responsible for the HUD Listings and working with PEMCO. If you are an agent in a larger company, discuss with your broker the dynamics of how an internal HUD Team would work in your brokerage.

***Q. Can I submit multiple state proposals?***

A. Yes. If you would like to submit proposals for multiple states we will consider each application. Please include a full proposal and LLB application and accompanying licenses for each state of interest. Please be sure to include all relevant MLS and local board information for each area of interest to support each state's/area's application.

***Q. Do I need to have multiple listing service access?***

A. Yes. An important component of marketing HUD properties is the MLS. Please provide all applicable MLS in your area and/or local boards that may manage the MLS that you are currently a member of for each area of interest.

***Q Does my primary broker have to be involved in the LLB/HUD Process?***

A. No. If there are agents who will handle the HUD Listings and LLB responsibilities on behalf of the brokerage, your broker does not have to be directly involved. However, even if the primary broker does not serve as a direct point of contact in the HUD Process, he/she is ultimately held accountable for the terms of the LLB Contract. It is his/her signature which is required for all documents. In other words, your broker needs to be "in the know" of the LLB Process and Requirements, but does not have to be directly involved with the day-to-day happenings.

***Q What are the requirements to be considered for a position as a LLB?***

A. A valid NAID number (Name, Address, Identification number you receive after registering with HUD), HUD Sales Experience, State Specific experience and licenses, compliance with all HUD-PEMCO Advertising and Showing Guidelines, and any other applicable HUD-PEMCO policies and/or procedures.

***Q If selected to be subcontracted as an LLB, which counties will I be responsible for?***

A. PEMCO has divided each state into several areas which to be serviced by the LLB's. LLB's must be local, as deemed by PEMCO, to the area they serve. PEMCO, not the applicant, will determine where the LLB will be best utilized based on the location of their office(s).

***Q How many LLB's will be hired?***

A. The number of LLB's assigned to each Area, and thus the total number of LLB's, will be dependent upon the needs of the Area and the capabilities of each LLB chosen. Therefore, we will not know how many LLB's will be selected until all submitted applications are received and reviewed.

***Q What will I need to have to be an LLB?***

A. At a minimum, you will need to have or have ready access to, a professional brokerage office readily identifiable as a place of business, a computer with internet access, a scanner, a business-mail account, a fax machine, a digital camera, and reliable transportation to the properties.

***Q If I'm chosen to be a LLB, can I purchase HUD Properties?***

A. No. Under the new contracts of M&MIII, a local listing broker, their employees, agents, company affiliates or contractors will not be allowed to purchase HUD properties.

***Q What is the LLB commission?***

A. LLB's will receive a 50/50 split of the HUD Sale commission set at 5%. Listing brokers will retain 2.5% commission on the sale of each listing. Selling agents will be able to elect to accept less commission than their 2.5% and in that event the total commission paid by HUD would be reduced accordingly. In this situation the listing broker fee would remain at 2.5%. This is significantly higher than previous contracts with LLB's and as so will require each listing broker to have increased listing responsibilities for the individual property and require larger marketing and outreach applications by the LLB.

***Q As an LLB, can I put my company "For Sale" signage at the HUD Properties?***

A. Yes. LLB's are required to put signage at the properties which they have been assigned to list. No other agent may place signage on location at the property assigned to you as the LLB. All LLB advertising and signage must be compliant with current HUD-PEMCO guidelines.

***Q What are the current advertising/signage regulations?***

A. Though there are additional regulations (available on our website) the following are the most pertinent which will be looked at in regard to the LLB Applicant:

- Do not refer to HUD Homes as government, distressed, repossessed, foreclosed; all signage/advertising must have an Equal Housing Opportunity logo or statement; All website advertising must disclose that the property is a HUD Property and direct viewers to HUDPEMCO.com to view all HUD properties available in PEMCO's states; All must comply with the Truth in Lending Act and all state/county/Real Estate Commission advertising regulations.

***Q Who can I call to make sure my application was received?***

A. Unfortunately, we will not be able to pull individual application packages to confirm they have been received due to the high volume of applications we expect to receive. Instead, please obtain a delivery receipt from your mail carrier. All packages are date-stamped upon arrival.

***Q Will I have a better chance of selection if I send my application package earlier in the solicitation period?***

A. The solicitation period to accept applications is June 3<sup>rd</sup> 2010 through July 2<sup>nd</sup> 2010. Applications received the first day of the solicitation period have no better chance of selection than do ones received the last day of the solicitation period. Applications received after close of business (5 p.m. EST) July 2<sup>nd</sup> 2010 will not be considered.

***Q How do you choose the LLB's?***

A. All applicants who meet requirements will be moved to consideration for a position. LLB's will be chosen by the PEMCO Management Team based on a variety of professional and business-related criteria, but consideration for a position is not dependent on the applicant's race, ethnicity, religion, handicaps, or familial or marital status. No applicant will be selected, or not selected, based on the above. It is the policy of PEMCO, Ltd. to subcontract LLB's which are best-suited for the available position, regardless of race, ethnicity, religion, handicaps, or familial/marital status. LLB's will be chosen in a manner in which the Listing Broker Team as a whole is comprised of the individual Listing Brokers which create the best-suited team to best serve the interests of HUD and PEMCO in the applicable state.

***Q Is General Liability Insurance different than my E&O insurance?***

A. Yes. LLB's must maintain insurance coverage of \$1,000,000 (at a minimum) for Comprehensive General Liability Insurance in addition to any required Errors and Omission Insurance. In accordance with and as required by state and local laws, the LLB must also have Worker's Compensation Insurance.

***Q If I am selected to be a listing broker, and I also sell a HUD Home, do I receive both the selling commission and the listing commission?***

A. Yes. If you are the selling agent for a HUD Home that you also listed as the listing broker, you will receive both the set 2.5% listing commission and the selling commission up to an additional 2.5% as elected by your bid. The maximum total commission paid on each HUD Sale regardless of agent will be 5%.

***Q Why do I need to submit a Sales and Marketing Plan?***

A. The primary function of the LLB is to provide wide-market exposure of the HUD properties. LLB applicants will need to identify how they plan to positively promote and market HUD and its properties to the public. Your plan can be as extensive as you see fit for the capabilities of your office. However, it must at least include plans for marketing the listings and marketing/promoting sales to Owner-Occupant buyers. If selected for a position as an LLB, the submitted Sales and Marketing Plan will become a part of your LLB Contract. Please make sure that you and/or your team are capable of performing to the extent of which you have outlined in your Plan.

***Q Can I personally contact or request to meet with the LLB Management Team?***

A. Unfortunately, we anticipate that we will be receiving too many applications to grant this request for all applicants. In the interest of fairness, any information you wish to relay to the LLB Management Team in regard to your LLB Application should be communicated in your Application Package. All Application Packages will be read, reviewed and filed accordingly.

***Q How will I know if I was or was not selected for a position?***

A. Selected applicants will be notified by written letter and/or telephone communication early August 2010. Unfortunately, due to the high volume of applications we expect to receive, we will not be able to contact applicants who were not chosen. A list of the selected LLB Team will be posted to our website by mid August 2010.

***Q I still have a question. Who can I contact?***

A. If you have an urgent question that was not addressed in this Application material, please e-mail your question to [info@pemco-limited.com](mailto:info@pemco-limited.com). Please utilize this e-mail rather than telephoning our office or contacting the LLB office directly. An LLB Management Team-Member will get back to you as quickly as possible. Please do not send e-mails to introduce yourself or to inquire about the receipt or status of your application. While we absolutely would love to meet you in the future and are thrilled about the overwhelming number of agents and brokers who are eager to work with us and become more involved in the HUD Selling Process, this application process promises to be a very lengthy and extensive evaluation process for our Management Team, and we must also strive for fairness to all applicants.

## PEMCO Ltd Local Listing Broker Application 2010

**Please type or print neatly**

Application Date		/ / 2010	
<b>Company / Brokerage Information</b>			
Company Name			
DBA			
Federal Tax ID			
NAID Number		NAID Exp. Date	
Primary Mailing Address			
City, State, Zip		County	
Primary Telephone		FAX	
Brokerage Website			
Company E-Mail			
<b>Small and Disadvantaged Business Utilization - check all that apply (must be certified)</b>			
<input type="checkbox"/> Small Business		<input type="checkbox"/> Small Disadvantaged Business	
<input type="checkbox"/> 8 (a)		<input type="checkbox"/> Woman-Owned Small Business (WOSB)	
<input type="checkbox"/> HUDZone		<input type="checkbox"/> Service Disabled Veteran Owned Business (SDVB)	
<input type="checkbox"/> Veteran Owned Small Business (VOSB)			
<b>Contact Information</b>			
<b>Company Primary Broker(s)</b>			
<u>Name</u>		<u>E-Mail</u>	
1.)			
2.)			
<b>Primary Contact Person for LLB Duties/ HUD or LLB- related proceedings</b>			
Name		Mobile Phone	
E-Mail		Office Phone	X
<b>Secondary Contact Person for LLB Duties/ HUD or LLB-related proceedings</b>			
Name		Mobile Phone	
E-Mail		Office Phone	X
<b>Policies, Licensing and Documentation</b>			
Liability Insurance Carrier		Policy Number	
Agent Name		Telephone	
Policy Limit		Policy Expiration	
Business License No.		Expiration	
Business License State			
Broker License No.		Expiration	
Broker License State			

Business References - must be companies you have done business with			
1.) Company		Telephone	
Address			
Contact Person			
2.) Company		Telephone	
Address			
Contact Person			
3.) Company		Telephone	
Address			
Contact Person			
Office Technology - check all that apply			
<input type="checkbox"/> Digital Camera	<input type="checkbox"/> Computer w/ Internet Access	<input type="checkbox"/> Website	
<input type="checkbox"/> E-Mail	<input type="checkbox"/> Fax Machine	<input type="checkbox"/> Scanner	<input type="checkbox"/> Digital Video Camera
<input type="checkbox"/> Other			
<input type="checkbox"/> Software			
Satellite Offices - must be running business offices not broker/agent home offices			
Address	City, State, Zip	County	
1.)			
2.)			
Local MLS/ Board Memberships - current memberships and access			
HUD-Related Sales, Experience and Training			
The following data applies to : <input type="checkbox"/> my brokerage as a whole <input type="checkbox"/> only the primary contact agent listed above			
<b>HUD Sales Experience</b>	_____ years _____ months		
<b>Annual HUD Sales</b>	I/we have sold _____ HUD Homes in the last 12 months.		
<b>Owner-Occupant Sales</b>	Of those sales, _____ were sales to owner-occupant buyers.		
<b>HUD Advertising</b>	All company advertising is compliant with current guidelines <input type="checkbox"/> Yes <input type="checkbox"/> No		
All information on this application is, to the best of my knowledge, true and accurate. I, along with any applicable agents to this application, have read and understand the LLB FAQ Section provided in this package, as well as the LLB job functions.			
Primary Broker Signature _____		Date _____	
To Be Completed By PEMCO, Ltd			
<b>App. Received Date :</b>	Verified (√)	Result/ Notes	By
Office Location(s)			
Insurance/Licensing Documentation			
Reference(s)			
HUD Sales, Experience, Training			
Website and Advertising Compliance			

# Application Checklist

## Make Sure Your Application Package Contains:

- LLB Application (pages 7-8 of this solicitation notice)
- IRS Form W-9 (can be printed from Contractors tab of HUD-PEMCO website)
- Copy of a valid broker's license for applicable states
- Copy of a valid business license for applicable states
- Proof of General Liability Insurance
- Brokerage or Agent Resume
- One-page Letter of Intent
- Sales and Marketing Plan
- Other Pertinent Information or Documents (optional - not required)

## Follow these Steps:

1. Read the entire FAQ section of this Solicitation Notice
2. Make sure your all required documents in your Application Package meet the specifications outlined on page 2
3. Mail your complete Application Package to:  
PEMCO, Ltd  
3525 Piedmont Road  
Bldg 5 Suite 310  
Atlanta, GA 30305  
Re: LLB Application
4. Ensure package will be delivered before close of business Friday, July 2<sup>nd</sup>, 2010.
  - a. Obtain a Delivery Receipt from your mail carrier; you will not be able to call or E-mail to confirm receipt of your application package.
5. Watch for the PEMCO web announcement of the selected LLB's in early August.