

Barren County Economic Authority

POLICY: REAL ESTATE BROKERS AND PRIVATE INDUSTRIAL DEVELOPMENT CONSULTANTS REGARDING REAL PROPERTY TRANSACTIONS

1. **Real Estate Brokers.** Only licensed real estate brokers will be eligible to receive Commissions on sales and leases to private sector commercial or industrial firms of real Property owned or managed by the Barren County Economic Authority (hereafter referred to as “Authority”) on the following basis:
 - A. In order to be eligible for a commission the broker must provide an offer to purchase real property owned by the Authority signed by the prospective purchaser. Said offer must state that the purchaser has engaged the broker as their representative in this property transaction. The broker shall be deemed to have earned a commission upon the terms and conditions set out in this policy statement.
 - B. The Authority will not be liable for a commission to the broker if the Authority has on file prior communication directly with the purchaser (or affiliate of the purchaser) either through direct name or economic development project name within the preceding twelve months about locating the same project originally worked in Barren County, Kentucky. Affiliates would include, but not be limited to TVA, Kentucky Cabinet for Economic Development, site location consultants, etc.
 - C. Upon closing of a real property transaction, the eligible broker(s) will receive a total commission of up to 4%.
 - D. In the event an option to purchase land is included in the eligible transaction, the broker will receive commission only upon the agreed sales price of the land, excluding any option payment that is not applied to such price. No commission/fee will be paid on projects where property is donated.
 - E. Upon execution by both parties of a lease of the Authority-owned or managed real property, the eligible broker will be due a commission of up to 4% of the cumulative first year’s rental payable to the Authority during the initial lease term (excluding renewal options to purchase and escalation adjustments). Such commission shall be paid to Broker as when rental or lease payments are made to the Authority.
 - F. No commission will be paid on the renewal of an existing lease.
2. **Site Location Consultants.** It is the policy of the Authority not to pay commission except to licensed real estate brokers. It will be assumed that others have employed Industrial Development Consultants and, therefore, the Authority shall pay no commissions, finders’ fees or other payments.