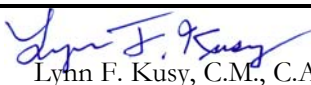


**PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
OPERATING POLICIES & PROCEDURES**

Department: Business & Properties	Board Resolution #: 09-28 Staff #: 4202	Page 1 of 2
Subject: Commercial Real Estate Brokers and Agents	Effective Date: July 1, 2009 Supersedes Internal Policy 4202, dated June 1, 2002	
Personnel Covered: Business & Properties, Marketing, Finance	Authorized Approval:  Lynn F. Kusy, C.M., C.A.E.	

Policy Statement:

The Phoenix-Mesa Gateway Airport Authority (PMGAA) recognizes that timely development of Airport real property is essential to achieving PMGAA’s profitability and community enhancement goals. Commercial real estate brokers and agents possess unique and specialized skills that can positively influence that achievement. Therefore, the use of commercial real estate brokers and their agents in marketing and facilitating the conclusion of Airport property lease agreements is encouraged.

Purpose:

The purpose of this policy is to define eligibility for commission payments, the specific commission structure and pertinent commission payment procedures, and assign responsibilities concerning the use of commercial real estate brokers and agents during PMGAA’s property marketing and leasing efforts.

Policy Guidance & Procedures:

Eligibility.

All commercial real estate brokers and agents shall be eligible to earn commissions for facilitating new property lease agreements affecting PMGAA buildings, facilities and developable land at the Phoenix-Mesa Gateway Airport. In earning such commissions, brokers and agents shall be expected to become familiar with Airport leasing opportunities, identify potential tenants using Airport-supplied marketing materials (available at www.phxmesagateway.org), assist PMGAA staff in showing properties to prospective tenants and help facilitate successful conclusion of a property lease agreement between such tenant(s) and PMGAA. In addition, all brokers and/or agents shall be required to register their leasing prospects with Business & Properties during or in advance of said prospect’s first visit to the Airport by executing a Prospective Tenant’s Consent to Registration Form (the “Form” – attached). Failure to complete such form shall be considered a breach of this policy and grounds for disqualification of a broker’s or agent’s eligibility to receive a commission hereunder. Similarly, commissions will only be paid if a property lease agreement with the prospect is concluded within the time period established by said Form.

Commission Structure.

The maximum period of lease term that shall be eligible for a commission payment shall be ten (10) years. No commission payments will be made for option terms, extensions, renewals or holdovers.

All commission payments earned under the provisions of this policy shall be calculated and paid within thirty-(30) days of the Rent Commencement Date, in accordance with the payment schedule below. For purposes of this policy, the “Rent Commencement Date:” shall mean the date on which actual tenant rent payments begin.

- Month-to-month leases: Commission shall be a one-time payment equal to the greater of fifty percent (50%) of the first month’s rent, or \$500.00.
- Leases with terms of twelve (12) to sixty (60) months: Commission shall equal six percent (6%) of the total rent to be paid between the Rent Commencement Date and the remaining term of the lease. Said

commission shall be calculated as follows: (a) rental rate in effect on the Rent Commencement Date multiplied by (b) the total months remaining in the term by (c) the rate of 6%.

- Leases with terms greater than sixty (60) months: Commission shall equal the amount defined in the preceding subparagraph $((a) \times (b) \times (c))$, AND an additional amount equal to three percent (3%) of total rent to be paid from the sixty-first (61st) month through the remaining term of the lease (an “Additional Commission”). Said Additional Commission shall be calculated as follows: (d) rental rate in effect on the Rent Commencement Date, multiplied by (e) the number of months in excess of sixty (60) remaining in the term, multiplied by (f) the rate of 3%.

In the event a month-to-month tenant that was originally facilitated by a broker or agent subsequently executes a new lease with PMGAA for a term of two (2) years or more, either directly with PMGAA or through the same broker/agent, and does so within twenty-four (24) months from said tenant’s original Rent Commencement Date, then, such broker/agent shall be eligible to receive an additional commission on the new lease in accordance with the payment provisions defined herein above.

Payment Prohibitions and Refunds.

Property lease agreements, including extensions thereto, involving existing PMGAA tenants shall not be eligible for commission payments. Similarly, if a prospective tenant’s initial contact with PMGAA was not the direct result of the efforts of a commercial real estate broker or agent, or said broker or agent failed to register his or her prospect as specified under all Eligibility provisions herein, any resulting property lease agreement shall not be eligible for commission payments, even if such broker or agent subsequently became involved.

Should any property lease agreement facilitated by a broker or agent be terminated due to any lessee default, said broker or agent shall be required to refund that portion of any commission received for the defaulted term. To that end, all brokers and/or agents shall be required to sign the attached Commercial Real Estate Broker and Agent Commission Agreement as an acknowledgment of this provision prior to receiving any commission payment, and such brokers and/or agents shall, upon written notice from PMGAA, refund such unearned commission proceeds within fifteen (15) days of receipt thereof.

Responsibilities:

Business & Properties Manager: Serves as the staff proponent for this policy, and updates and/or revises policy information, as required. Provides information to the Marketing Manager to ensure area real estate brokerages are kept abreast of properties available for lease at and on the Airport.

Marketing Manager: Ensures area real estate brokerages are kept abreast of properties available for lease at and on the Airport. Prepares and posts property marketing brochures in prominent locations within the Airport Administration Building and General Aviation Center, and on the Airport web site.

Finance Manager: In coordination with the Business & Properties Manager, ensures payment of commissions to commercial real estate brokers and agents as required and specified by this policy.

2 Attachments

1-Prospective Tenant’s Consent to Registration)

2-Commercial Real Estate Broker and Agent Commission Agreement



**PROSPECTIVE TENANT'S CONSENT
TO REGISTRATION FORM**

Prospective Tenant ("Tenant"): _____

Landlord: **Phoenix-Mesa Gateway Airport Authority (PMGAA)**

Subject Property: _____
at the Phoenix-Mesa Gateway Airport

Firm Name ("Broker"): _____

Consent: Tenant agrees to allow Broker to register Tenant's interest in the above-named property for the term specified below. Such consent does not represent that Tenant has engaged Broker's services in negotiating the possible lease of such property on Tenant's behalf. Rather, such consent shall serve only as Tenant's certification that Broker was first to make Tenant aware of the availability of the property identified above. Such certification shall qualify Broker to receive a commission payment from Landlord, should Tenant enter into lease negotiations with Landlord during said period and conclude a Property Lease Agreement with Landlord within a period of ninety (90) consecutive, calendar days thereafter.

Term: The term of this Prospective Tenant's Consent to Registration shall commence on the date Tenant affixes his/her signature below and terminate at 11:59 p.m. on the thirtieth (30th) day thereafter.

THE UNDERSIGNED PARTIES ACKNOWLEDGE THAT THEY HAVE THOROUGHLY READ, UNDERSTOOD AND APPROVE THIS CONSENT, AND ACKNOWLEDGE RECEIPT OF A COPY.

^ TENANT'S SIGNATURE

DATE

^ BROKER'S SIGNATURE

DATE

^ LANDLORD'S SIGNATURE

DATE



PhxMesa **Gateway** Airport

COMMERCIAL REAL ESTATE BROKER & AGENT COMMISSION AGREEMENT

Broker Name (“Broker”): _____

Agent Name (“Agent”): _____

Landlord: **Phoenix-Mesa Gateway Airport Authority (PMGAA)**

Tenant Name (“Tenant”): _____

Subject Property: _____
at the Phoenix-Mesa Gateway Airport

Agreement: In accepting a commission from Landlord for helping facilitate a property lease agreement between Tenant and Landlord for the above-named property, Broker and/or Agent, as appropriate, agrees to abide by the commission refund provision of PMGAA Policy #4202, dated July 1, 2009, should Tenant default on said agreement within the first ten (10) years of the agreement term. In such case, Broker or Agent, as appropriate, shall refund that portion of any commission received for Tenant’s defaulted period within fifteen (15) days of Landlord’s written request therefor.

THE UNDERSIGNED PARTIES ACKNOWLEDGE THAT THEY HAVE THOROUGHLY READ, ACKNOWLEDGE AND WILL ABIDE BY THIS AGREEMENT, AND THAT EACH HAS RECEIVED A FULLY EXECUTED COPY THEREOF.

^ BROKER’S (or AGENT’S) SIGNATURE

DATE

^ LANDLORD’S SIGNATURE

DATE