

Greater Baltimore Board of REALTORS®  
Community Partnership Initiatives

New Partners for Smart Growth Conference  
Building Safe, Healthy and Livable Communities  
January 27, 2006 - Denver, Colorado

Presented by: Joseph T. "Jody" Landers, III  
Executive Vice President

Sales Data from Metropolitan Regional Information Systems, MRIS

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**SCOPE**  
**Selling City Owned Property Efficiently**

An Innovative Partnership involving:  
Baltimore City Government  
Baltimore Economy and Efficiency Foundation,  
The Goldseker Foundation  
The Greater Baltimore Board of REALTORS®

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## Overview of Problem

- City of Baltimore has thousands of vacant and abandoned properties.
- City did not have an efficient means of disposing of vacant and under utilized properties.
- Process burdened with too much red tape and lack of market expertise.

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## **SCOPE:** **Mission Statement**

To secure the highest and best price for City owned vacant properties, by exposing the properties to the broadest possible market at the lowest cost to the City, with the ultimate aim of putting the properties back into productive use and back onto the City tax rolls.

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## **Sample Properties #1**



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## Sample Properties #2



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## Sample Properties #3



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## Project Goals

- Utilize existing real estate infrastructure, MLS, etc. to market properties.
- Allow the market to establish prices for vacant properties.
- Minimize the City's costs of disposing of vacant properties.
- Transfer distressed properties to responsible buyers efficiently.
- Encourage private investment and help to revitalize neighborhoods.
- Put vacant properties back into productive use!!

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## **SCOPE Project Description**

- ❖ The Baltimore City Housing Dept. identifies vacant and underutilized properties for assignment to the SCOPE Project.
- ❖ The City contracts with a diverse group of experienced Realtors and Realists to list the properties.
- ❖ Listing are grouped by geographic proximity and groups are assigned to agents by lottery.
- ❖ All properties must be listed on the MLS.
- ❖ Any licensed agent can submit an offer on the properties.
- ❖ Offers must be submitted on approved SCOPE Contract forms, available on the GBBR web site.
- ❖ Listing agents review and convey offers to the City Real Estate Officer.
- ❖ A multi-agency Committee reviews the contract offers and selects the best offer.

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## **Broker Commissions and Qualifications**

- The City pays \$2,500 or 8% of the sale price, whichever is greater.
- Brokerage must waive any administrative listing fees.
- The City looks for agents who do a high percentage of their overall business within the City, and have experience with distressed properties and a knowledge of the rehab market and loan products.
- A joint selection panel composed of City, BEEF and Industry representatives reviews applicants and conducts interviews with prospective agents.

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## **Special Safeguards.**

- Before entering a SCOPE property, potential buyers must sign a Hold Harmless agreement and acknowledge that they understand the risks associated with entering the properties.
- Buyers must document the fact that they have the resources available or are able to borrow the funds sufficient to renovate the property based on the City's estimated cost of renovations.
- Buyers must disclose any other properties they own, or have an interest in and court and housing inspection records are checked by the Community Law Center, a local non-profit working to prevent "illegal flipping," to determine if the buyers have any outstanding judgments against them or housing code violations.
- All buyers agree by contract and deed restriction to rehab the property within 18 months of settlement or property reverts to City.

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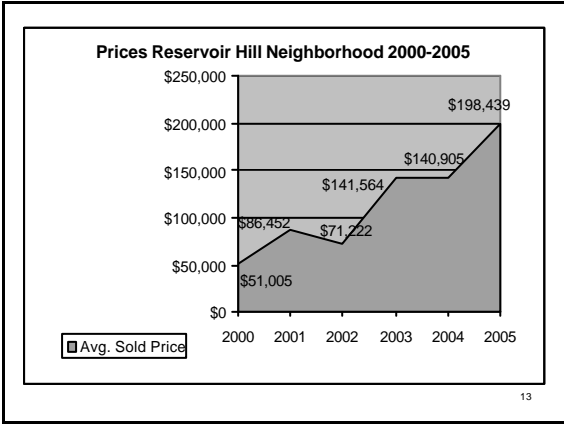
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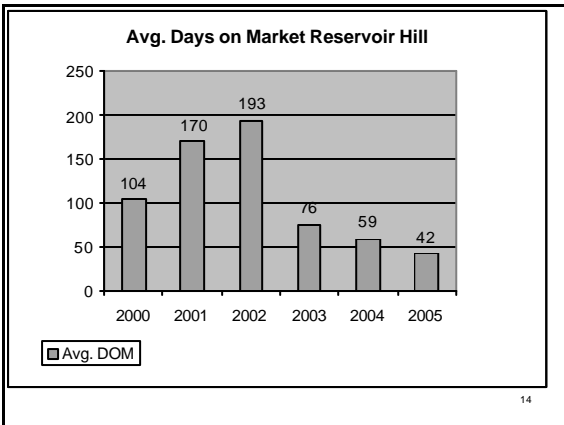
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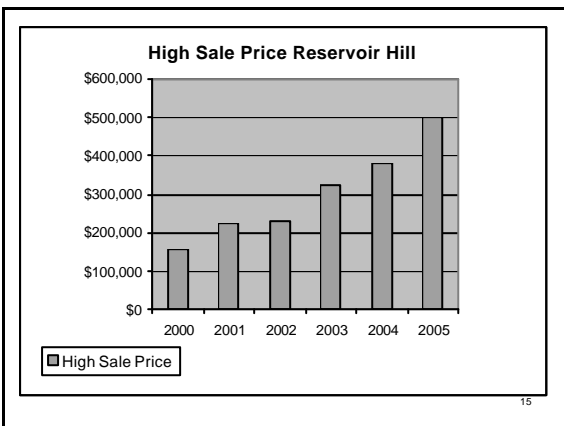
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## **SCOPE Results** As of 12/27/2005

✓ Properties Settled	98	
✓ Total \$\$ Value		\$2,523,351
✓ Avg. Price	\$38,069	
✓ Total Commissions		<u>\$276,432</u>
✓ Net to City		\$2,246,919
✓ Properties Pending	36	
✓ Total \$\$ Value		\$1,450,579
✓ Avg. Price	\$62,501	
✓ Est. Commissions		<u>\$116,046</u>
✓ Est. Net to City		\$1,334,533
✓ Active Listings	33	

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Additional Partnership Initiatives:

- Training classes for Baltimore Area Housing Counselors
  
- Helping Neighborhoods Market and Promote themselves

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## Data Sources and Resources

❖ For more information on the SCOPE Project visit:

GBBR's web site:

[www.realtorsbaltimore.com/scope/](http://www.realtorsbaltimore.com/scope/)

The Baltimore City Housing Dept:

[www.baltimorehousing.org/index/sale.asp](http://www.baltimorehousing.org/index/sale.asp)

or Contact:

Jody Landers at: [jtlanders@realtorsbaltimore.com](mailto:jtlanders@realtorsbaltimore.com)

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