

**LPS Asset Management Solutions
Solicitation to Realtors for disposition of
properties owned by Bernard and Ruth Madoff**

Summary of Evaluation Criteria and Rating Methods

Scope of Services

The United States Marshals Service (USMS) has been instructed by Court Order to dispose of the three properties owned by Bernard and Ruth Madoff in NY (2) and FL (1). The USMS has a National Contract with LPS Asset Management Solutions, Inc. (LPS-AMS) for its residential real estate sales. LPS-AMS assigns listings to real estate agents from their network of qualified agents experienced in the market where the properties are located. Because of the unusual circumstances of these three properties and the magnitude of the loss to victims, it was determined that in order to maximize the proceeds of the sale of these properties and thus maximize return to the victims that LPS would open their network in attempt to identify the most qualified real estate brokerage firm and agent in each of the three market locations.

Properties are located at:

133 East 64th Street, New York, NY – PH11/12 (Cooperative)
216 Old Montauk Hwy, Montauk, NY
410 North Lake Way, Palm Beach, FL

LPS-AMS is soliciting the services of qualified Listing Real Estate Broker and Agent for each of the three Madoff properties. Described in this solicitation are the specific requirements as well as evaluation and selection criteria.

EVALUATION CRITERIA

1. General

- (a) LPS-AMS and USMS will select a Listing Broker and Agent from those responding to this solicitation whose offer is considered to be most advantageous to the victims. The evaluation factors are as follows:
 - **DEMONSTRATED EXPERIENCE IN SPECIFIC MARKET**
 - **PAST PERFORMANCE**
 - **PRICE / COMMISSION**
 - **COMPLETENESS OF PROPOSAL**
- (b) Principal Broker, Managing Broker, or Owner/Broker is requested to select maximum of three agents in their firm who they think will best represent each property based upon their experience in each specific market.
- (c) Agent proposal must include letter of recommendation from Broker with validation of the information contained in each proposal.
- (d) Copy of Broker and Agent licenses.
- (e) Agent will be required to answer the **Questionnaire** in this solicitation. **NO PHONE CALLS** to either LPS-AMS or USMS will be accepted
- (f) All proposals must be submitted electronically by close of business (COB), Friday, August 21, 2009, 5PM ET to usms-solicitation@lpsvcs.com. Identify your proposal in subject line as Madoff – NYC, Madoff – Montauk, or Madoff – Palm Beach.

- (g) Total proposal cannot exceed 10 pages.
- (h) Maximum of 5 agents will be selected who will later be given the opportunity to inspect the property and provide market plan, suggested list price, and anticipated sales price. Those who are not selected will be notified by e-mail. Listing Agent may be asked to sign a non-disclosure agreement.
- (i) Each of these plans will be evaluated and from these a listing agent for each property will be selected as outlined below.

2. EVALUATION PROCESS

- (a) Solicitation of Listing Agent and Broker will consist of a two (2) Phase Evaluation Process. Phase One will identify up to 5 agents in each market whose proposals scored the highest. The agents selected will move onto Phase Two. Even though, this is a two Phase Evaluation Process, the listing will be awarded to the agent whose proposal that most conforms to the solicitation requirements and is deemed by LPS and USMS to be most advantageous to the victims. Final selection will be based on the evaluation of each agent's demonstrated experience in each specific market, past performance, and price/commission.
- (b) Scoring Methodology:

Outstanding: The agent's proposal exceeds all requirements of the Solicitation. Agent demonstrates a thorough understanding of the full range of requirements and work effort and the clear capability to manage all requirements. The proposal contains significant strengths and no weaknesses.

Very Good: The agent's proposal meets and exceeds some requirements of the Solicitation. Agent demonstrates adequate understanding of the full range of requirements and work effort and the clear capability to manage all requirements.

Satisfactory: The agent's proposal meets requirements of the Solicitation. The Agent's response exceeds the requirements for the Marginal rating but does not meet the standards for the Very Good rating. There is a high degree of confidence that the Agent can successfully achieve the requirements.

Marginal: The Agent's proposal did not meet some requirements of the Solicitation. Agent possesses little or no expertise. There is not a high degree of confidence that the agent will provide any services higher than borderline.

Unsatisfactory: The Agent's proposal did not meet the requirements of the Solicitation. The Agent's response to the rating criteria is inadequate and does not demonstrate a satisfactory understanding of the requirements and work efforts. This is an unacceptable offer that contains one or more significant weaknesses and deficiencies.

3. QUESTIONNAIRE: *Attachments for each question will be accepted; however, the maximum number of pages of proposal cannot exceed 10 pages or the proposal will be disqualified. Two agent teams are acceptable.*

DEMONSTRATED EXPERIENCE IN SPECIFIC MARKET

1. Are you considered more listing agent or selling agent, or both?
2. Number of years of experience in specified market
3. Proximity of office to subject property?

PAST PERFORMANCE

4. Number of listings above \$4 Million in last 24 months, number of listing sold, original list price and date listed, date sold, and sales price. Indicate any listing that you sold yourself, and any that sold by agent affiliated with same brokerage.
5. Identify any high profile or “celebrity” listings you have had and what you did to protect the privacy of your client and how potential buyers were pre-qualified.
6. Of those that were listed and sold, how many were in cooperatives? (NYC Cooperative only)

PRICE/COMMISSION; *Agent understands that there is a referral fee taken from Agent’s commission in return for becoming part of the LPS Broker network. All properties will be listed in Multiple Listing Service (MLS) or its equivalent.*

7. Exclusive of the referral fee what is your required Listing Broker commission?
8. Based on required listing commission what is advertising budget? Be specific as possible and include any additional marketing strategies. All marketing and advertising expenses will be borne solely by listing agent/broker.
9. What is recommended Selling Broker commission? Explain.
 - If Sold by Agent in another brokerage company
 - If sold by another agent in your company
 - If sold yourself
 - If referred by USMS and sold yourself