



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

SEP 30 1992

Mr. John T Howley  
Vice President  
The Eastern Europe Real Property Foundation  
777 14th Street  
Washington, D.C. 20005-3271

Subject: Cooperative Agreement No. EUR-0034-A-00-2091-00

Dear Mr. Howley:

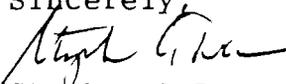
Pursuant to the authority contained in the Foreign Assistance Act 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to the Eastern Europe Real Property Foundation (hereinafter referred to as "The Foundation" or "Recipient") the sum of One Million, Five Hundred Thousand dollars (\$1,500,000) in support of the first year of a three year Housing Assistance Project for Eastern Europe (Project No. 180-0034), as more fully described in Attachment 1 of this Cooperative Agreement entitled "Schedule" and Attachment 2, entitled "Program Description".

This Cooperative Agreement is effective and obligation is made as of September 30, 1992 and shall apply to commitments made by the Recipient in furtherance of program objectives through the estimated completion date of September 30, 1995. Funds disbursed by A.I.D. but uncommitted by the Recipient at the expiration of this period shall be refunded to A.I.D.

The total Agreement amount for the program is \$3,500,000 of which A.I.D. hereby obligates \$1,500,000 for the first year. A.I.D. shall not be liable for reimbursing the Recipient for any costs in excess of the total obligated amount. The Recipient is providing "in kind" skilled labor estimated at a value of \$375,000 as their contribution to this Agreement. This amount is neither reflected in the Agreement total dollar value, nor in the Agreement Budget.

This Cooperative Agreement is made to the Recipient on the condition that the funds will be administered in accordance with the terms and conditions set forth in the Cover Letter, Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 3, entitled "Standard Provisions"; which together constitute the entire Cooperative Agreement document and have been agreed to by your organization.

Please acknowledge receipt of this Agreement by signing all copies of this Cover Letter, retaining one copy for your files, and returning the remaining copies to the undersigned.

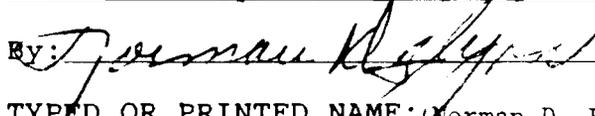
Sincerely,  
  
Stephen A Dean  
Agreement Officer  
Chief, Division A  
Office of Procurement

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

Eastern Europe Real Property Foundation.

By:  \_\_\_\_\_

TYPED OR PRINTED NAME: Norman D. Flynn, Vice President

DATE: October 8, 1992

FISCAL DATA

A. GENERAL

- A.1. Total Agreement Amount: \$3,500,000
- A.2. Total Obligated Amount: \$1,500,000
- A.3. Project No: 180-0034
- A.4. A.I.D. Project Office: EUR/DR/H B. Veret
- A.5. Funding Source: A.I.D./W
- A.6. Paying Office: Agency for International Development  
Office of Financial Management  
FA/FM/CMPD/DCB, Room 700, SA-2  
Washington, D.C. 20523-0209
  
- A.7. DUNS No: 79553114E
- A.8. TIN: 363818522

B. SPECIFIC

- B.1.(a) PIO/T No.: 180-0034-3-262-2390
- B.1.(b) Appropriation No.: 72-11X1010
- B.1.(c) Allotment No.: 184-62-180-00-69-21
- B.1.(d) BPC: QAIX-92-32180-KG-12
- B.1.(e) Amount: \$1,500,000

SCHEDULEI. PURPOSE OF AGREEMENT

The purpose of this Agreement is to provide support to the Eastern Europe Real Property Foundation's program of Housing Assistance Project for Eastern Europe, creating and developing private sector, market oriented, real estate institutions in Eastern Europe.

II. FUNDS OBLIGATED, PAYMENT, ESTIMATED COST AND COST SHARING

1. The total estimated amount of this Agreement for the program described in Attachment 2 of this Agreement is \$3,500,000 of which A.I.D.'s contribution is \$3,500,000 and The Foundation's declared cost sharing amount is \$375,000 which is not included in the total budget amount..

2. A.I.D. hereby obligates the amount of \$1,500,000 for program expenditures during the first year of the estimated period set forth in Section IV.

3. Payment shall be made to the Recipient in accordance with procedures set forth in the Standard Provision entitled "Payment - Cost Reimbursement".

III. SUBSTANTIAL INVOLVEMENT

1. Countries: The countries of Poland, Hungary, Czechoslovakia, Slovak Republics and Bulgaria are approved for direct in-country program support under the agreement. Other Eastern European countries may be approved by A.I.D. during the period of the agreement. Such approval will be communicated by A.I.D. after consultation with the relevant A.I.D. Mission, Project Officer, and specific written approval of the Agreement Officer.

2. Evaluation: A Scope of Work (SOW) for an independent mid-term and/or final evaluation must be developed with, and the evaluator(s) chosen to carry out this activity must be approved in written form, in advance, by the AID/EUR/DR/H Project Officer. The Recipient is encouraged to provide at least one (1) evaluator from its permanent staff for this evaluation(s). At least one evaluator will be an individual not currently employed by the Recipient. The AID/EUR/DR/H Project Officer is to participate in the pre- and post-evaluation briefings and is to receive six (6) copies of the completed evaluation report for AID/RME/PD and one (1) additional copy of each country evaluated.

3. Sub-Agreement/Sub-Contract Component: None

4. Review and Approval of Detailed Implementation Plan (DIP): Within thirty (30) days, the Recipient will prepare and submit to the AID/EUR/DR/H Project Officer for approval, a Detailed Implementation Plan, which will include the following:

- a. A brief description of the major activities, indicating the expected outcomes, responsible persons, planned starting and completion dates and duration of the activity (actual time required to complete the task, which may be less than the planned time between starting and completion dates.
- b. A timeline showing the sequential and concurrent activities, indicating which activities depend on the successful completion of prior activities, and highlighting those activities which are critical, i.e. if delayed, the overall project results will be delayed. A.I.D. preference is for the earliest possible start dates for activities and realization of concrete results.
- c. Plans for periodic consultation and review of implementation plans and progress with the AID/EUR/DR/H Project Officer, with AID representatives in the field and ~~the~~ with the Embassy staff in each country of the program. Reviews with the Project Officer should be held at least every three months.
- d. Approval in writing from the EUR/DR/H Project Officer will be required for the DIP and any significant changes to the DIP. Evidence of consultation with AID representatives and Embassy Staff will be required, but only the Project Officer has authority to approve amendments to the DIP. Reporting format is specified in Section C.3 "Interim Reports", below.

5 Approval of Key Personnel - Selection of the U.S. Executive Director, Field Manager and Executive Assistant for Eastern European Operations, or their equivalent, are subject to the approval of the A.I.D. Project Officer.

#### IV. PERIOD OF AGREEMENT

The effective date of this Agreement is September 30, 1992 and the estimated completion date is September 30, 1995.

#### V. REPORTING AND EVALUATION:

1. Progress Reports. Four copies of each quarterly Progress Report will be submitted to the AID/EUR/DR/H The Foundation will also provide an additional copy directly to the USAID Representative in each country involved. The fourth quarterly report will constitute an Annual report and include a summary of all project activities and The Foundation's financial contribution to the project.

Other Current A.I.D. Grants, Cooperative Agreements and Contracts to The Foundation, such as OPGs or Grants will be noted in the report with an explanation of any relationship of such agreements to this Cooperative Agreement supported program.

2. Final Report. The last Annual Report is the Final Report. All work to be charged to this Agreement, including the preparation of the Final Report, must be completed prior to the expiration date of this Agreement.
3. Interim Reports. Prior to the required final performance reporting date, events may occur that have significant impact upon the project. In such instances, the Recipient shall inform the Agreement and Project Officers as soon as the following types of conditions become known:
  - a. Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work activities by the established time period. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
  - b. Favorable developments or events that enable time schedules to be met sooner than anticipated or more work activities to be performed than originally projected.
4. Self-Evaluation: Self-evaluation will be conducted by The Foundation in accordance with the evaluation program described in this Agreement, paragraph III, 2. In addition, from time-to-time A.I.D. Officers will visit selected project sites. An independent mid-term and final evaluation in collaboration with the Recipient will be carried out at the mid point of the program and no later than 60 days prior to the expiration date of the Agreement.

VI. NEGOTIATED OVERHEAD RATES - None, all costs direct.

## VII. FINANCIAL PLAN

1. The following is the Budget for this Agreement. Except as specified in the Standard Provision of this Agreement titled "Revision of Agreement Budget", the Recipient may adjust budget amounts within the total agreement amount as may be reasonably necessary for the attainment of program objectives. Detailed budgets for the First and Second Phases of the Program shall be further subject to approval of the AID Project Officer at the time of the review of the First and Second Phase Action Plan respectively.

## PROGRAM AND BUDGET SYNTHESIS: Eastern Europe

	(\$000,s			
	FY 93	FY 94	FY 95	TOTAL
<b>1. Real Estate Markets and Institutional Assessments</b>	153.48	250.78	0	404.26
<b>2. Specialized Real Estate Assessments</b>	98.63	50.69	0	149.32
<b>3. Institutional Development</b>				
a. Association Development	100.13	117.01	0	217.14
b. Property Listing Systems	0	35.34	35.34	70.68
c. Market Analysis Capability Development	0	86.36	86.36	172.72
<b>4. Education and Training</b>				
a. Specialized Real Estate Education (Prop. Mgt, Marketing, Valuation)	0	113.83	113.83	227.70
b. Faculty Development Program	0	81.40	0	81.40
c. Eastern Europe Interns in NAR or Member Firms	0	71.70	71.70	143.40
d. U.S. Intern Program	0	163.40	163.40	326.80
<b>5. Technical Assistance</b>				
a. Volunteer Corps	0	104.49	104.49	208.98
b. Specialized Consultants	0	81.57	81.57	163.14
<b>6. Public/Private Shelter Coalitions</b>				
a. Coalition Building	0	53.41	53.41	106.82
<b>7. Program Operations and Management</b>				
a. Headquarters	225.81	283.21	283.21	792.23
b. Field	90.08	172.68	172.69	435.95
<b>TOTAL</b>	<b>668.13</b>	<b>1665.87</b>	<b>1166.00</b>	<b>3,500.00</b>

Inclusion of any cost in the budget of this Agreement does not obviate the requirement for prior approval by the Agreement Officer of cost items designated as requiring prior approval by the applicable cost principles (see the Standard Provision of this Agreement entitled "Allowable Costs") and other terms and conditions of this Cooperative Agreement.

Prior to making any adjustments or changes to this Agreement the recipient shall comply with the provision entitled "Revision of Agreement Budget", and the Recipient shall submit a request for budget revision to the Agreement Officer and the A.I.D. Project Officer specified in the Cover Letter of this Cooperative Agreement.

#### VIII. SPECIAL PROVISIONS

##### Travel

The Standard Provision "Travel and Transportation", requiring advance notification of the Project Officer of Recipient's travel intentions overseas, is required. The Recipient is also required to provide reasonable advance notification of intention to travel to the Mission or Embassy in Poland.

##### Authorized Geographic Code

As the total procurement element during the period of the agreement valued at less than \$250,000, the following rules apply:

All goods and services, the costs of which are to be reimbursed under this agreement and which will be financed with U.S. dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., A.I.D. Geographic Code 935) in accordance with the following order of preference:

- (A) The United States (A.I.D. Geographic 000),
- (B) The Cooperating Country,
- (C) "Selected Free World" countries (A.I.D. Geographic Code 941), and
- (D) "Special Free World" countries (A.I.D. Geographic Code 935).

Application of Order of Preference: When the recipient procures goods and services from other than U.S. sources, under the order of preference in paragraph b(1)(i) above, the recipient shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the recipient's documentation:

(A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,

(B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,

(C) Impelling local political considerations precluded consideration of U.S. sources,

(D) The goods or services were not available from U.S. sources, or

(E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

#### Local Cost Financing

Local cost financing is authorized under this Agreement provided such financing falls within the legitimate needs of the Program Description of Attachment 2, and does not exceed the following limitations:

(A) Procurement locally of items of U.S. origin up to a per transaction limit of the local currency equivalent of U.S. \$100,000.

(B) Procurement locally of items of non-U.S. origin up to a per transaction limit of the local currency equivalent of U.S. \$5,000.

(C) Commodities and services available only in the local economy (no specific per transaction value applies to this category). This category includes the following items:

(1) Utilities, including fuel for heating and cooking, waste disposal, and trash collection

(2) Communications, including telephone, fax, telex, postal and courier services.

(3) Rental costs for housing and office space.

(4) fuel, oils, and lubricants for operating vehicles and equipment.

(5) Newspapers, periodicals, and books published in the cooperating country, and

(6) Other commodities and services (and related expenses) that, by their nature or as a practical matter, can only be acquired, performed, or incurred in the cooperating country.

In cases where local cost procurements are expected to exceed the above limitations, and authorization for such procurement does not already exist in the Cooperative Agreement, the Recipient must obtain approval from the A.I.D. Agreement Officer prior to proceeding with the procurement.

Except as otherwise changed by the above limitations, the conditions of the Optional Standard Provision entitled Local Cost Financing ( November 1988), hereby incorporated into this Cooperative Agreement , apply, including paragraphs (b), (c), (d), (e), and (f).

#### Procurement Cost Detail

Whenever feasible, the U.S. Recipient and/or its subrecipients will be responsible for purchasing the U.S. equipment and commodities required for the technical assistance components of the program. This equipment must be specifically and directly linked to the programs undertaken under the various subcomponents. The Recipient will be responsible for providing more exact details and specifications of the commodities they propose to procure, including estimated costs of them, in their request to A.I.D.

#### Government Owned Organizations

A Government Owned Organization, i.e., a firm operated as a commercial company or other organization (including nonprofit organizations other than public educational institutions) which are wholly or partially owned by governments or agencies thereof, are not eligible as suppliers of goods and commodities, commodity-related services, or services (other than commodity-related services), except as the Agreement Officer may otherwise agree in writing.

For the purposes of this Agreement references to "OMB Circular A-122" in the Standard Provisions of this Agreement shall include the A.I.D. implementation of this Circular, as set forth in Subpart 731.7 of the A.I.D. Acquisition Regulation (AIDAR) (48 CFR Chapter 7).

#### Employee Salaries

Except as the Agreement Officer may otherwise agree in writing, A.I.D. shall not be liable for reimbursing the Recipient for any costs allocable to the salary portion of direct compensation paid by the Recipient to its employees for personal services which exceed the salary level for a Foreign Service Officer, Class 1 (FS-1), as periodically amended.

Consultant Fees

Compensation for consultants retained by the Recipient hereunder shall not exceed; without the specific approval of the rate by the Agreement Officer: either the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three (3) years; or the maximum rate of a Foreign Service Officer, Class 1 (FS-1) as periodically amended, whichever is less. A daily rate is derived by dividing the annual compensation by 2,087 and multiplying the result by 8.

Equipment Purchases - Requirement For Approval

The Recipient shall obtain A.I.D. Agreement Officer approval for the following before actual purchase: Purchase of General Purpose Equipment, which is defined as an article of nonexpendable tangible personal property, the use of which is not limited only research, medical, scientific, or other activities, e.g. office equipment and furnishings, air conditioning equipment, reproduction and other equipment, motor vehicles, and automatic data processing equipment, having a useful life of more than two (2) years and an acquisition cost of U.S. \$500 or more per unit.

Purchase of Special Purpose Equipment, which is defined as an article of nonexpendable tangible personal property which is used only for research, medical, scientific or other technical activities, and which has a useful life of more than two (2) years and an acquisition cost of U.S. \$1,000 or more per unit; and

Other Capital Expenditures, which is defined as the cost of the asset, including the cost to put it in place.

Order of Precedence

In the event of any inconsistencies in this Agreement, they shall be resolved by applying the following descending order of precedence:

- Attachment 1 - Schedule
- Cover Letter
- Attachment 3 - Standard Provisions
- Attachment 2 - Program Description

IX. STANDARD PROVISIONS

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Standard Provisions marked by an "X", which are attached hereto and made a part of this Agreement: (When the word Grant/Grantee is used, Agreement/Recipient applies in lieu thereof)

MANDATORY STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL GRANTEES

- ( X ) Allowable Costs (November 1985)
- ( X ) Accounting, Audit, and Records (September 1990)
- ( X ) Refunds (September 1990)
- ( X ) Revision of Grant Budget (November 1985)
- ( X ) Termination and Suspension (May 1986)
- ( X ) Disputes (November 1989)
- ( X ) Ineligible Countries (May 1986)
- ( X ) Debarment, Suspension, and Other Responsibility Matters (March 1989)
- ( X ) Nondiscrimination (May 1986)
- ( X ) U.S. Officials Not to Benefit (November 1985)
- ( X ) Nonliability (November 1985)
- ( X ) Amendment (November 1985)
- ( X ) Notices (November 1985)

OPTIONAL STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL GRANTEES

- ( ) Payment - Letter of Credit (November 1985)
- ( ) Payment - Periodic Advance (January 1988)
- ( X ) Payment - Cost Reimbursement (November 1985)
- ( X ) Air Travel and Transportation (November 1985)
- ( X ) Ocean Shipment of Goods (May 1986)
- ( X ) Procurement of Goods and Services (November 1985)
- ( X ) AID Eligibility Rules for Goods and Services (November 1985)
- ( X ) Subagreements (November 1985)
- ( X ) Local Cost Financing (November 1988)
- ( ) Patent Rights (November 1985)
- ( X ) Publications (November 1985)
- ( ) Negotiated Indirect Cost Rates - Predetermined (May 1986)
- ( ) Negotiated Indirect Cost Rates - Provisional (May 1986)
- ( X ) Regulations Governing Employees (November 1985)
- ( ) Participant Training (May 1986)
- ( ) Voluntary Population Planning (August 1986)
- ( ) Protection of the Individual as a Research Subject (November 1985)

- ( ) Care of Laboratory Animals (November 1985)
- ( ) Government Furnished Excess Personal Property (November 1985)
- ( X ) Title To and Use of Property (Grantee Title) (November 1985)
- ( ) Title To and Care of Property (U.S. Government Title) (November 1985)
- ( ) Title To and Care of Property (Cooperating Country Title) (November 1985)
- ( X ) Cost Sharing (Matching) (November 1985)
- ( X ) (1) Use of Pouch Facilities (November 1985)
- ( X ) Conversion of United States Dollars to Local Currency (November 1985)

1. The address in paragraph (a) (4) of this Provision should be changed to add -0001 after 20523 (the zip code).

PROGRAM DESCRIPTION

**A. General Program and First Phase**

The Foundation proposes to undertake, as a "First Phase", surveys of selected Eastern European countries to determine the most promising real estate markets, existing or potential counterpart associations or organizations, and the academic, educational, networking and other resources to carry out the purposes of this Agreement and the basic menu of association activities and programs to be undertaken. This Phase will also include the assessment of the nature of the field presence required for the program. The Foundation will provide for AID's review and approval an action plan for the First Phase and will review periodically with the A.I.D. project officer the results and findings of its surveys and assessments.

As part of this "First Phase", efforts will also be made to identify real estate practitioners in the United States who have the language and technical skills and capacity required to participate in the program. The Foundation will enlist their commitment to support, as advisors, trainers, organizers, or in other capacities, the activities and programs approved for implementation. The Foundation will periodically report to the AID Project Officer the results of such efforts.

The First Phase of the Program will result in the preparation of a detailed action plan for "Phase Two" of the Program. This action plan will specifically identify the real estate markets to be addressed, the indigenous associations and organizations with which the Foundation will work, the anticipated program/activity mix appropriate to individual countries or locale and the state of the marketplace, and the anticipated logistical commitment, human and financial, with timing projections. The action plan and revisions will be reviewed and approved by the project officer, which will undertake through a system of periodic reviews in an on-going cooperative relationship with the Foundation regarding the strategy and direction of program activity.

The number of areas addressed initially under the action plan will be limited during the first year in order to permit evaluation and revision, as required, of programs and strategies. However, it is anticipated that during the second and third years of the Program, the number of sites and the intensity of activities will accelerate significantly as patterns are identified and methodologies are validated.

By the end of the Third Year, the aim is to have indigenous estate associations in existence and capable of providing basic communication, networking, educational and research support to real estate practitioners in at least three of the Eastern European countries. These organizations, it is expected, would be

supplemented by as many as four other local or regional real estate organizations. It is anticipated that at this point, further association development will be generated by the indigenous associations and the nature and extent of Foundation's further activities will be reviewed at that time.

## **B. Second Phase Development Activities**

As more fully described in the attached Annex C, the Foundation will carry out the following activities during the Second Phase development period under the Cooperative Agreement. The costs of such activities, as provided in budgets to be submitted and periodically updated by the Foundation and approved by A.I.D., shall be eligible costs under the Cooperative Agreement, subject to all the provisions of such Agreement.

Phase Two, the "development phase" involves directly assisting in the organization and promotion of local and national associations that will serve as institutional bases for the development of the private real estate sector and its practitioners. These associations are expected to become linked with their counterparts in other countries, in particular the U.S., and become the foundation for on-going education, research and training programs. The Foundation will also assist such associations to define and establish educational standards and programs and licensing requirements and procedures for real estate professionals.

This development phase will be reflected in the action plans to be prepared by the Foundation and will incorporate the following implementing activities:

1. Advisory services concerning the development of open and efficient real estate marketing systems, including "multiple listing" exchanges to help identify and price properties and regularize the marketplace in the interest of the consumer and national economies;

2. Assistance in the establishment of a program of time series aggregation that promote effective market research, including continuous data on home sales, sale price, affordability, mortgage rates and fees, consumer profiles, demographic trends and property finance information;

3. Assistance in the establishment of a research forum which would bring U.S. real estate academicians into communication with Eastern European counterparts so that they could address issues, exchange research and enhance the educational opportunities of Eastern European practitioners;

4. Implementation of participant training activities permitting Eastern European real estate professionals to undertake training programs, internships and observational trips in the

United States.

5. Sponsorship of a program of internships involving the assignment of U.S. real estate degree graduates to provide technical assistance, conduct education and training programs and create a cadre of U.S. real estate experts on real estate in Eastern Europe.

6. Assignment, through a Volunteer Corps, of qualified and experienced real estate counsellors, instructors, and professionals to provide on-site advice to Eastern European real estate organizations and, through them, their members and the profession at large, on real estate practices, policies, procedures, techniques and issues;

7. Promotion of coalition building through public/private partnerships within the Eastern European nations and through relationships with the National Association of Realtors and other U. S. and international associations concerned with shelter and real estate issues.