

Dale's Inc. d.b.a.

GARRETT BUSINESS PARK

P.O. Box 4026 / 2055 Garrett Way

Pocatello, Idaho 83201

208-232-6886 • Fax 208-232-6571

Richard D. Kirkham 208-233-7625, Cell 208-251-2222
Corporate Secretary

RE: REAL ESTATE COMMISSION POLICY LETTER – 2010-2011 COMMISSION RATES

Dear Agents,

As a property management company we value the efforts of real estate professionals. We specialize in the management of commercial, office, and industrial properties in South East Idaho. We advertise, promote, maintain, lease, and service over 40 commercial properties. We represent absentee owners, perform market analysis, develop brochures and advertising, and do accounting services. We are licensed with the City of Pocatello and the State of Idaho to perform related services including general contracting, outdoor advertising, and equipment and vehicle dealer sales.

Our properties are not listed in the Multiple Listing Service. Therefore all licensed realtors and agents are invited to refer clients, show our properties, and negotiate leases or sales. We will pay a commission for those services based on the guidelines listed below.

1. Licensed brokers and their agents are entitled to commission compensation on all advertised properties we carry in our inventory for any transaction that results in a sale or a lease where the agent brings to us a bonafide client who has not previously contacted us directly.
2. Referral commissions are calculated at the rate of 1% of the gross of any successfully completed lease or sale. A referral is any client who is introduced to us by a real estate agent who then leaves all other negotiations to us.
3. Lease and sale commissions are calculated at the rate of 6% of the gross of any successfully completed lease or sale. A full commission is paid when an agent creates a single party listing for one of our "published" or "advertised" properties and represents our company as our agent, negotiates the sale or lease, and prepares all the necessary documents related to the transaction.
4. Commissions are paid from the initial proceeds of any lease or sale of property as they accrue including proceeds from deposits.
5. Lease commissions are paid on the initial term of the lease only. No compensation on renewals is standard policy in order to encourage long-term lease contracts.
6. Agents should present a billing to our office for commissions consistent with these terms within 30 days of the signing of any Lease or the closing of any sale.
7. Agents may show our properties with or without our assistance. Properties can be previewed and keys, brochures, plats and other information can be obtained by contacting our office.
8. In the event that a Tenant defaults during the term of the lease on which a commission was

paid, the broker and/or agent will be billed back for any partial commissions paid but not realized.

We value the services provided by real estate agents and their offices. We hope that these policies will help to clarify our standard procedures with regards to you as a real estate professional and we will work to protect your interest in any negotiation you may bring to us.

Sincerely,

A handwritten signature in black ink that reads "Richard D. Kirkham". The signature is written in a cursive style with a large initial 'R' and a long, sweeping underline.

Richard D. Kirkham
Corporate Secretary