

2020 Core Realty Advisors Relationship Agreement

“Your circle should want you to win. Your circle should clap the loudest when you have good news”

Compensation Splits -

CONTRIBUTING: 75/25 Split- \$0 to \$75,000 GCI

OUTSTANDING: 85/15 Split- \$75,001 to \$125,000 GCI

REACHING: 90/10 Split- \$125,001 to \$250,000 GCI

EXCELLING: 95/5 Split - \$250,001+

- Cap Date is January 1st for all agents.
 - For agents joining between July 1st and December 31st their cap date will be the 2nd January 1st.
 - For agents joining between January 1st and June 30th they can participate in the profit sharing plan, but will have a cap date of January 1st of the upcoming year.
- Leads that come from brokerage website/general advertising efforts, that are not designated to a specific agent, will be distributed via round robin with a 50% split for the initial transaction (buy, sell or both), with a contribution to your cap at your current cap level. This is not in addition to any splits based on your production level, but a straight 50% split. Any future business from those clients will be considered your personal sphere business.
- We do not take any fees/splits for rental transactions. Feel free to use our rental compensation form in the drive to help make this effort worth your time.
- You may sell or buy your personal residence once per year with no commission split to the company.

Culture

Culture is a shared set of values and giving our clients the CORE Experience

- **Caring** - caring about our clients and their best interest is at the heart of what we do and who we are. If we are selling someone something, it's not keeping them at the forefront of the transaction. If we are serving their best needs, advocating for them, advising them and coaching them along the way, we are taking care of them!
- **Organized** - being organized helps to set the proper expectations for our clients. Being organized in such a big process, and how we communicate, is paramount to being an effective advocate. If you have a plan in place for success, you are more likely to get your clients there than if you didn't have one at all.

- **Resourceful** - being resourceful means being proactive to help your clients and other advisors take the next step. Anticipating their needs and seeking out the resources needed. Rather than only having one small part of an assembly line, we personally advocate for our clients to anticipate needs and meet them.
- **Exceptional** - we believe that every client we serve, every house we sell and every buyer we help should get an exceptional experience given the circumstances. You might be selling for difficult reasons or things might not go in your favor every step of the way, but communication, positive attitudes and professionalism should never falter. This not only translates to how we communicate with our clients, but the other parties involved. We want to protect and advocate for our clients while maintaining a professional level of communication with the other parties so we can help to achieve our clients goal without getting our own feelings in the way.

Nitty Gritty Financial stuff

- No franchise fee, No monthly fee for individual full time Advisor
- We cover the following at no cost to you:
 - First set of business cards each year as needed
 - Listing and buyer marketing materials
 - All CORE shirts for events and/or just for fun
 - Nametag (one time, if you lose it, you'll need to purchase another one and then boom, you'll find your first one!)
 - Full G-suite email and drive integration with unlimited storage
 - Organizational Checklists and a binder to get you started
 - 2 Personalized name riders (no need to purchase sign panels). If you need additional name riders they are \$10/each for the next 3.
 - E&O Insurance
 - Access to a digital signature program with unlimited signatures. This year it will be Ziplogix but that could change in future years
 - Dakno CRM and website that is coded to you for your use
- If that wasn't enough, we want you to be your absolute best. We provide a team listing coordinator and a team closing coordinator for all transactions, without any additional transaction fees. Running a team, hiring admin, creating organization systems is not for everyone, but at some level in our industry, you need help. You will still be your clients' primary advocate during all critical closing and negotiations, however we provide the organization backdrop for you to shine. We highly value the client

experience and never want to leave a client feeling as if they have been passed off or they are losing the valuable trust you have established.

- Partnerships will be charged \$250/month or \$3000 a year and it is up to your relationship how that is to be distributed (more on partnership later...)
- One time start-up cost of \$200/month/advisor for the first three months (or \$600 if paid at once)
- Second year and beyond, one time \$400 yearly charge for Advisors and \$150 additional for any partners

Community Giving Program

CRA will be happy to with-hold a \$ amount from your commission checks, to be given to a local charity quarterly of your choosing. Everyone at our January retreat will collectively vote on our group charity for 2020 which the company will support as a whole with donations of time and money. Each agent can choose if they'd like to also donate additional money to that charity as well.

Profit Sharing Program

We want you to have a voice and a sense of commitment to the overall success of other advisors. The company allows any full time, full Broker Advisor* who has had at least 12 transactions in the calendar year to participate in the program. 10% of the company's year-end net profit will be divided out amongst the participants based on their total GCI and total GCI of the members in the program. To be eligible you must be with the firm on Jan 1st of the following year.

Partnerships

We believe we offer the best of being on a team while enableing agents to maintain their autonomy. If, however, you choose to form a small partnership to share your work-load, there will be a monthly charge to offset the single cap levels.

Each Advisor can have up to two partners (i.e. fully licensed, full broker Realtors with their own MLS access) working with them. The tiered commission structure will be based on the total of all of the agents together. There is a \$250/month fee* for the partnership and \$150/month for additional partners which offsets your faster capping opportunity but still addresses the increase in company cost for administration, insurance and overall expenditures. One agent needs to be the primary name in MLS for all transactions and for profit sharing purposes collectively. How you split compensation and structure your partnership is totally up to you. Please note, running a true team/partnership is not for everyone. Please carefully weigh out these decisions with your leaders to know if it's the right move for everyone involved.

Bringing on a Broker -

- Along the way you'll likely meet an agent that you think will be a good fit. We value the agents who are already here first and foremost, so actively recruiting is not an aspect of our leadership goals. If someone seeks us out, or you bring someone to us, that is a good fit, we will open our door and hearts. You'll be rewarded for bringing them on with \$500 for each of their first three transactions.
- When joining CORE, transactions in process at the time of joining Core Realty Advisors, that are brought over to Core Realty Advisors, you will have the option of having those contribute towards their cap, or not having any company split withheld. (example, let's look at a transaction started with your former brokerage, that you brought with you, with a GCI of \$2000, and a 50% referral fee to your former brokerage. You can choose to take the full \$1000 payment, or you can have that \$1000 contribute towards your cap so that you cap sooner, receiving a \$750 payment with \$250 going towards your cap via the company split)

Before we let you go, a few last things:

- All advisors and partners are asked to drop provisional status within 6 months of joining the firm if they aren't full brokers already.
- We strongly believe in quality listings, therefore all listings should include professional measurements and photography. Staging is highly encouraged but not required. The Listing Coordinator will assist with scheduling of our preferred photographer, measurer & stager and help to facilitate payments. If an Advisor wants to use their own vendor, that's okay, assuming that vendor is a professional and delivers quality results. There are some properties that professional photography isn't going to help, we get that. It's okay. Just use good judgement and never use your cell phone.
- We are a full service firm but realize we are hiring brokers who we trust will make wise choices with their own commissions. If you need to make a reduction for a reason you believe will benefit you in the long term, we trust you. If you need to make a concession here or there to get the house to closing, we trust you. There will be no hand slapping. That being said, we will train everyone to be able to defend their commission and know their worth.

The stuff you should know anyways, but it's worth repeating:

There are basic “standard” fees and dates you are responsible for as a real estate professional in our state that are required to do business anywhere. We will help you keep track of them, but ultimately it’s your responsibility as it would be anywhere:

- Stay active by paying your TMLS quarterly dues of \$150/quarter.
- Keep your real estate license CURRENT by paying \$45/year to NCREC prior to June 30th
- Keep your real estate license active and up to date by completing your CE/General update classes prior to June 10th of each year.
- The state requires a \$50 privilege license each year due to be an independent contractor. Pay it!
- You know this, but in order to be a part of TMLS, you have to be a REALTOR®. They charge \$491/year...you may not like it, but it is what it is. Let’s actively seek to get the most from this industry organization.
- In order for CRA to pay an LLC the owning broker must be BIC eligible and hold a firm license with NCREC.gov
- Car insurance requirement up to \$250,000 coverage
- There is a requirement as part of the REALTOR® association that you take a 2 hour ethics class every other year - make sure this is done in a timely manner.

It’s Q & A time. What if XYZ happens?

- What happens if I don’t close 12 transactions by the end of the year? This means you cannot participate in the Profit Sharing Program. As far as continuing on with CRA and your role - it depends. We wrap your goals in grace if you had extenuating circumstances. We want you to succeed and be a producing agent, not for us, but for you. If that simply isn’t your path however, we want to make sure we figure out what is.
- What happens if my transaction is going south and I need help? Carrie is here to help!
- What if I need help with a marketing idea or lead source? Call Carrie, she’s probably tried it or can help you think through how to approach it.
- What if I have questions about Dakno website or the CRM? Call Jenn C, she is great at it!
- What if I have Ziplogix questions? Call Jenn C or Becky to give you advice
- What if I have questions about my commissions, fees, stats etc? Call Chip. Please note Chip calculates commissions on Tuesday and Saturdays. He’ll send you a message to confirm everything is good before he submits to the accountant so manage your expectations and respond accordingly.

- What happens if I decide to leave CRA? Well boo, but it happens. Any transactions that are under contract you can transfer to your new firm with a 50% referral back to CRA. Any buyer agency contracts that are not company leads, but haven't found a house yet, can be terminated assuming any outstanding fees owed to CORE are paid. Any listing agreements in place, whether on the market or not, will have a 50% split back to CRA from you at your new firm (or you can assign them to another CORE agent to carry out if you no longer want to work with that client).

Let's Rock This year!

Signature

Date

I am choosing to be in a partnership. Which agent will be the primary agent in MLS (team lead?)

How will monthly fees get paid split between partner/advisor? _____

Anything else we need to know for financial splits for your partnerships?

Company Officers

Carrie Schlegel Date

Chip Barker Date

Jennifer Crawford Date