



## Agent Manual

Agent Name: \_\_\_\_\_

### CR Mission Statement and Core Values:

#### **1. MISSION STATEMENT:**

To glorify God by putting our client's interest above our own.

#### **2. VISION STATEMENT:**

To change the lives of the communities we serve through abundant giving.

#### **3. CORE VALUES:**

1. Think win/win
2. Be a go getter
3. Follow up and follow through
4. Address issues head on
5. Do the right thing
6. Let your yes be yes, and your no be no.
7. Drive the bus, land the plane.

#### **4. 3 ITEMS TO ASK YOURSELF:**

1. Does it "wow" our customers and team members?
2. Will it provide a consistent & repeatable experience?
3. Does this stop production?

#### **5. GENERAL PROCEDURES/POLICIES:**

1. Our primary goal is to find win-win solutions.
2. All agents of CR shall conduct themselves in a professional manner at all times.
3. All questions or problems with any real estate transaction shall be reviewed with the circle leader, managing partner or managing broker of your circle.
4. The CR name will be included on all business cards and marketing materials, as well as voicemail recordings on cell phones, etc, and as required by state marketing laws.
5. Prior to accepting a referral, an agent must sign a referral agreement between referring party and himself or herself.
6. Agents of CR are independent contractors and agree to sign the CR Independent Contractor, Confidentiality and Non-Solicitation Agreement.

**\*\*NOTICE: OFFICE PHONE, EMAIL AND ALL CORRESPONDENCE ARE MONITORED AND RECORDED\*\***

## 6. LOYALTY.

At all times while Agent is engaged as a real estate agent with CR, Agent shall act under a duty of loyalty in support and in furtherance of the CR System and CR Network and shall maintain a proper attitude toward the public, CR, and the agent's fellow CR Sales Associates. Agents shall not engage in any acts or activities that disrupt CR's circles or are likely to adversely affect the image of CR or other CR Sales Associates or that may detract from or tend to undermine the growth of the CR brokerage, including, without limitation, any acts in furtherance of any non-CR real estate business or the establishment of, or the recruiting of any CR Sales Associates for any existing or future non-CR real estate business that does or may compete with the CR Network. Agents may not speak to the media (including, without limitation, newspapers) regarding the business or affairs of CR without prior written CR consent.

## 7. AGENT RESPONSIBILITIES.

- A. **W9:** Agent will provide CR with a completed W9.
- B. **Lockboxes:** Agents are responsible for paying for their own lockbox that is required by your MLS.
- C. **Computers:** Agents are responsible for their own laptop computers.
- D. **Personal Email and Information:** Agents are not to communicate with CR clients using personal emails or phones that don't have CR voicemails or email signatures in place. After the termination of the relationship between Agent and CR, CR will not retrieve from CR computers any data on Agent's behalf. Accordingly, Agent is responsible to keep copies of all such files as Agent is required to maintain under applicable laws and regulations.
- E. **Circle Meetings and the 8 Minute Call attendance:** All Agents are encouraged to listen and take part in the company's monthly 8 Minute Call as well as any weekly or monthly meetings or trainings held within the company or their circles.

## 8. SIGNAGE.

On all personal listings, agents are able to brand their For Sale signs how they wish, within the guidelines of CR branding and state regulations around team presentation.. See the internal website for the most updated branding guidelines. It is the agent's responsibility to check with the COA or POA to find out what signage is allowed.

## 9. MARKETING MATERIAL.

**Pictures.** CR shall have the right to use in perpetuity all flyers, pictures and promotional materials that contain Agent's photograph.

## 10. FINANCIAL OBLIGATIONS.

A. Agent will have the following one-time charge which is due at signing of this manual:

|                                    |       |
|------------------------------------|-------|
| Fee for technology systems set up. | \$100 |
|------------------------------------|-------|

B. Monthly E&O Fee: Agent will be charged the first of every month \$50 to the credit card on file.

If the card is declined, there will be a \$35 fee assessed and we will auto pull the total amount owed from the checking account on file used for commission disbursement. If that is returned as NSF, an additional \$35 fee will be assessed, and the agent has 30 days to pay the total amount due. If the agent has a closing within the next 30 days, 3 month's worth of office bills, along with the associated fees accumulated will be deducted from the closing. This 3 month's of E&O insurance is not refundable if the

agent leaves before the 3 months is up. If there is no closing, and the agent has not paid the balance within 30 days, their license will be sent back.

**C. Transfer Fees.** Agents are responsible for all licensing fees as required by their state.

**D.** The agent is responsible for their own MLS dues and fees necessary to transact real estate. See your Managing Broker or CL for details.

**E.** The agent is responsible for their own State/Federal Regulatory Authority and MLS Violations, if incurred.

**F. Additional Expenses:**

1. CR is a paperless company, so all agents should have a tablet (iPad, Microsoft Surface, etc) so forms can be signed with the client electronically.
2. Business cards and name tags should be purchased through CR preferred vendor. Business card photos must be professional and in appropriate dress attire.
3. Shipping and postage costs: All USPS, FEDEX or UPS postage costs are agent's responsibility.

### **11. CR Referral Network Program**

**A.** Agents will be able to participate in the Referral Network program.

**B.** All leads for the CR Referral Network Program will run through one specific system. The leads will be handed out based on the area in which the client is looking and the type of property they are looking for.

**C.** All CR Referral Network leads will be followed up on daily by the ISA Manager and can be removed from the Referral Agent at any time if the manager feels Referral Agent is not handling the lead properly.

**D: Lead Purchasing Program:** Agents have the opportunity to purchase leads on a monthly basis. These leads will be driven directly to your personal website. They can be purchased directly through your kvCORE website.

### **12. PREFERRED VENDORS.**

If CR provides Agent with a lead, it is recommended and preferred that the agent refer clients to the preferred Vendors (including but not limited to lender, insurance agency, home inspectors, pest control services and attorney).

### **13. TRANSACTION FEE.**

All transactions will be charged a \$395.00 transaction fee. The Agent will be ultimately responsible for this transaction fee. If buyer or seller does not want to pay the transaction fee, buyer agent or listing agent will be responsible for this fee.

### **13A: TRANSACTION MANAGEMENT POLICY**

We believe it is mission critical that professional transaction management of each sale is handled within strict controls and processes to ensure we are ensuring a smooth process and clean files for our customers. We also believe this service frees up our agents to focus on what they do best, list and sell homes.

CanZell Realty will provide in house Transaction Management for all agents in each of the states we serve at no additional charge to the agent. Each agent can choose from one of three options:

Option 1:

- You use our in house transaction coordinator.

Option 2:

- You have a licensed transaction coordinator that is licensed with CanZell Realty. Once the file closes, we will pay them \$200 directly from the commission. This is no additional cost to you as the agent. CanZell takes care of this cost.

Option 3:

- If you live in a state that allows you to use an unlicensed transaction coordinator, they must be approved by CanZell Senior management. Once you file closes, you may submit for reimbursement up to \$200 to cover the cost of your transaction coordinator. You will need to upload proof of payment to your transaction coordinator in the form of either an hourly or salaries wage, or within the applicable laws of your state.

The outside transaction coordinator must be licensed in any or all states in which licensing is required and they handle any coordination licensed with Canzell Realty. Should the state regulations not require licensing, the managing broker must obtain a signed statement from the TC outlining that they will not perform any tasks which require a license in the state of business.

#### **14. OWNER/AGENT BUY AND SELL POLICY.**

When an agent of CR wants to buy and/or sell "listed" real estate, and keep the agent portion of the commission, Agent must have closed four transactions with the firm. The share of the commission due CR will be the \$395.00 transaction fee. Agent's name MUST appear on the contract and the Closing Disclosure. CR will allow Agent to buy or sell up to 4 of his/her own properties per year at this cost. Agents may buy or sell as a FSBO at no cost to CR, provided CR is not a party to the contract. Disclosure that Agent is a licensed real estate agent is required.

#### **15. DRESS CODE.**

Please use your discretion and dress professional when meeting with clients or at company events.

#### **16. ONBOARDING NEW AGENTS WITH OUR COMPANY.**

You must have Microsoft Office Suite, and an up to date computer to work with CR Systems. Your computer must be free of malware, spyware, viruses, similar infections or suspicious software to protect company network. Removal and cleaning of systems to address pre-existing issues is the agent's responsibility. Systems severely infected may not be added to the network to prevent spread to other devices.

#### **17. PROFESSIONALISM: POLICY ON PROFANITY.**

When representing CR, staff and agents should act and behave appropriately. Team members should choose to act in a manner which presents a professional image to the public and is respectful of others, therefor profanity is prohibited. This includes what is spoken in our offices, to our clients and team members and what is posted on social media. Use of profanity is neither professional nor respectful to co-workers and clients and will not be tolerated.

## **18. DEPARTURE FROM CR.**

### **A. Notice Upon Cessation of Affiliation.**

When an Agent ceases to be affiliated with CR, CR will contact, via email or phone, all CR's Referral Network clients for whom the Agent was, at the time of the departure, currently handling active matters in order to notify them of the departure and to inform them of the agent(s) who will instead be handling the clients' matters.

### **B. Ratified Contract.**

In the event Agent ceases to be associated with CR, there are a few options that they may exercise.

#### **NOTE: THE COMPANY KEEPS NO EXTRA COMMISSION WHEN YOU LEAVE.**

1. If you keep your license active through the end of the closing, you will be paid your full commission.
2. If you move your license before the closing has occurred the following referral fee will be paid to the Managing Broker completing the closing.

#### **NOTE: CR WILL NOT TAKE ANY ADDITIONAL MONEY FROM THE COMMISSION.**

When an agent departs, if there is a deal that is under contract that has not closed, and you choose not to keep your license to close it out, the deal will go to the Managing Broker of that circle to finish out the deal. If that Managing Broker is not available, the Principal broker will assign it to a Managing Broker in another CR circle. The departing agent will not be able to choose another CR agent to complete the deal, it must be done by a Managing Broker.

The Managing Broker will decide on the referral fee due to them from the closing based on the amount of time and work left on the deal. **The minimum that they will require is a 5% referral fee – even if it is closing tomorrow with no work needed.** The referral fee due is at the sole discretion of the Broker.

If the agent has a ratified deal, buyer or seller, and chooses to release the deal and re-write it under their new firm, CR will be getting the entire commission from the new Brokerage. This is unethical and we will immediately enforce the CR policy legally and to the fullest extent of the law.

If this happens, the following will happen:

1. Broker will call the buyer and let them know they are under Buyer Broker with the brokerage and if they release and close with another brokerage, they are exposing themselves to liability to be sued for the entire commission due to the Brokerage.
2. Broker will call the new brokerage to let them know of the ethical violation about to occur and potential legal issues to follow.
3. Broker will call the agent to let them know of the ethical violation about to occur and potential legal issues to follow.
4. State Board and Realtor violations will be filed.

If your license does not remain active with any firm, no referral fee will be able to be paid.

**C. Non- Ratified Contract.**

If Agent is working with any CR buyer in CR’s Referral lead system or a buyer with a buyer/broker contract with CR and Agent ceases to be associated with CR, the buyer will be transferred to another CR agent, and no compensation or commission will be given to Agent.

**D. Company Listings.**

All CR Referral lead listings will remain with the brokerage.

The broker is responsible for contacting the client to let them know if the agent leaving the company and the agent may not contact the client to let them know of their brokerage change. In the extreme case where the broker has confirmed the client is unwilling to stay with CR, the broker and upper management must approve a transfer.

If a transfer is allowed, the following to be paid:

- ☐ \$495 fee to withdraw the listing from CR
- ☐ 70% referral fee to CR when the listing closes

**E. Personal Sphere Listings.**

If the listing is a personal sphere lead, only the \$495.00 fee will be due, with no additional referral required. Agent shall disclose in writing the foregoing obligation as to referral fee to any broker with whom Agent shall affiliate.

If a listing is withdrawn without paying the \$495 fee and is re-listed at your new brokerage within 60 days of departure, a \$495 fee will be due to CR from your next commission at your new brokerage and that fee will be split with the Managing Broker of the circle in which you left.

In order to be paid your referral fee, you must have an active license with your state.

If the closing happens within 30 days of your departure, CR will pay you directly. If it happens more than 30 days after your departure, CR will pay your new brokerage.

If the contract falls through and must be started again, no referral fee will be paid to you.

**19. CR Brokerage Fees.**

5% of the total commission will be deducted from the top of each sale. A business license tax will be charged where applicable. Once an agent hits their cap, the 5% brokerage fee will no longer be collected for the rest of the anniversary year on applicable closings.

**A. Referral Network (35% Referral Fee).**

1. Someone who has contacted Inside Sales (ISA) and ISA creates an appointment for the agent by setting up time/date/place of meeting or transfers the lead to a CR Network Referral Agent, via email, phone or text.
2. If a dual appointment is set by ISA for a client seeking to both list their current home and buy a new home, then both transactions are considered a 35% company referral.
3. This referral fee is in place for any transactions that close with this client for 24 months from the date that the referral is first accepted.

**B. Company Assisted (0% Referral Fee).**

1. Company generated client (CGC) that gives you a referral.
2. Referral from an employee or management (no referral due to CR, the employee or manager may ask for a referral if they are licensed)
3. Company sponsored event (i.e. event booth, etc)

- Repeat clients that were given to you by the company that you have previously closed once the 24-month referral agreement expires from the date the lead was first accepted.

**C. Personal Sphere (0% Referral Fee).**

- Leads that are retrieved by your own merits without any assistance from the company.
- If a referral gives you a referral.

**20. Agent Commission Plan**

| Net Closed Commission | Agent Rate | CR Rate |
|-----------------------|------------|---------|
| All Closings          | 80%        | 20%     |

\*\*Once you pay CR \$14,000 in Company Dollar on personal referral transactions, you will be promoted to a 100% split for the remainder of your anniversary year on personal sphere transactions. See section 23 "Cap Info" for more details on this.

| <b>EXAMPLE - Pre-Cap Closing at 80/20 Split</b> |                  |
|---|------------------|
| \$5000 commission received                      | \$5000           |
| <i>Fees taken out of agent side:</i>            |                  |
| .69% deducted for BLT                           | - \$34.50        |
| 5% Brokerage Fee                                | -\$250.00        |
| \$5000 split 80/20                              |                  |
| 80% to Agent (pre-fees): \$4000                 |                  |
| 20% to CR (pre-fees): \$1000                    |                  |
| <b>Split 80% to Agent (after fees)</b>          | <b>\$3715.50</b> |
| <b>Split 20% to CR (after fees)</b>             | <b>\$1284.50</b> |

| <b>EXAMPLE - CAPPED (100% Split)</b>    |                  |
|---|------------------|
| \$5000 commission received              | \$5000           |
| <i>Fees taken out of agent side:</i>    |                  |
| .0069 deducted for BLT                  | - \$34.50        |
| \$5000 split 100%                       |                  |
| 100% to Agent (pre-fees): \$5000        |                  |
| 0% to CR (pre-fees): \$0                |                  |
| <b>Split 100% to Agent (after fees)</b> | <b>\$4965.50</b> |
| <b>Split fees to CR (after fees)</b>    | <b>\$34.50</b>   |

\*\*\*During the first four transactions, 25% the agent's portion will be paid to the mentor for their training time. This applies to all new Agents with less than 4 closed transactions\*\*\*

**Required File Completion for Commission Payout**

In order to receive commissions due on a closed transaction all required documents must be in the system. Should the file be incomplete or missing documentation the agents commission will be held up until such time as the file is completed.

Additionally, commissions on a fully completed files may be withheld at the discretion of CanZell Realty if the agent has any previously paid, closed or pending files that are not up to date with all required documentation.

## **21. LISTING COMMISSIONS.**

Our commission for CR is 6%. Notwithstanding the foregoing, Agent may reduce this commission to 5%. No other variation of this commission requirement will be effective unless approved in advance by CR. If not approved by CR the commission amount negotiated will be deducted from the Agent's split and not CR's split.

When having to reduce the commission, we try to keep 2% to our side and 3% to the other broker, but sometimes we have to do one half of the commission to be offered to a co-brokering agent. For example, if reducing it to 5%, you can do 2.5% to CR and 2.5% to the other broker. You can choose to split this however you want!

Additional commission in the form of bonuses, referral fees, cash for keys bonuses/payments etc., will be paid to CR and shall be divided in accordance with the above agent's commission schedule.

## **22. MENTOR PROGRAM.**

All new Agents to CR, with less than 4 transactions completed in the last 24 months, will be assigned a mentor. The mentor will train/support Agent on all procedures needed to be successful with CR. 25% of the agent's net commission shall be paid to Agent's mentor. If at any point, an agent is unhappy with the coaching being provided by their mentor, they can switch to another mentor at their circle. Mentors are assigned to agents through their first four closings.

## **23. CR CAP PROGRAM.**

### **A. How It Works:**

In most traditional real estate companies, the commission structures are set up so that the more you earn, the more you give away. At CR, we believe that the harder **you** work, the more **you** should be rewarded. CR offers Agents a commission cap, which means that after you hit the cap, you are promoted to a higher split for the remainder of your anniversary year.

### **B. What is the Cap:**

The cap for each CR circle is \$14,000. This means that once you have paid CR \$14,000 in company dollar on your personal sphere transactions, you will be promoted to a 100% split for the remainder of that anniversary year. Your year will begin on the first day of the following month from the date you signed on with the company, and will automatically reset every year on that date. This means that no matter when you start, you have an entire year to prosper.

Ex. Agent joins the company on April 13, 2019. On January 1, 2020, the agent "caps" at \$14,000. From January 1, 2020- April 31, 2020, the agent will remain on a 100% split for personal sphere deals.

\*Note: The agent will receive 100% of the commission after applicable fees have been paid (BLT(if applicable), etc)



**C. What is the half cap and quarter cap:**

For agents who are on a standard team, the team leader has the regular \$14,000 cap, but members of the team have a half cap at just \$7,000! This is applicable for teams in which they do a minimum of 25 transactions per year and each team member pays their team leader a minimum of 25% of their commission on each closing.

For agents who are on a mega team, the team leader has the regular \$14,000 cap, but members of the team have a quarter cap at just \$3,500! This is applicable for teams in which they do a minimum of 100 transactions per year and each team member pays their team leader a minimum of 25% of their commission on each closing.

Let's look at an example to explain how this works:

*Team ABC has three agents on it and Sally is the team leader. The other two agents on the team will cap at \$7,000 each, then moving to a 100% split. The team leader cap, Sally remains at \$14,000.*

For purposes of reaching the cap, the company portion of the commission, will be allocated to team members based upon the same percentage allocation of how the agent portion of the commission is paid out between the team members.

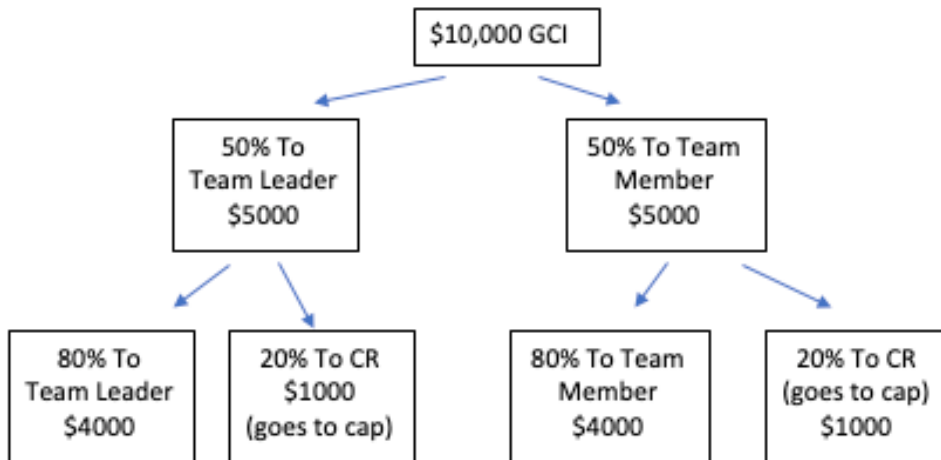
In order to be eligible for the reduced cap for team members, teams must: pay the Team leader at least a 25% Split on Each Commission earned by a team member. Team Leaders can only share/allocate a small amount, no more than 25%, of commissions on transactions they close to members of their team.

Two or more agents may form a partnership in which these agent's market together and work together, but don't share in each other's commissions. In these cases, the cap requirements don't apply because each member of the team has their own \$14,000 cap.

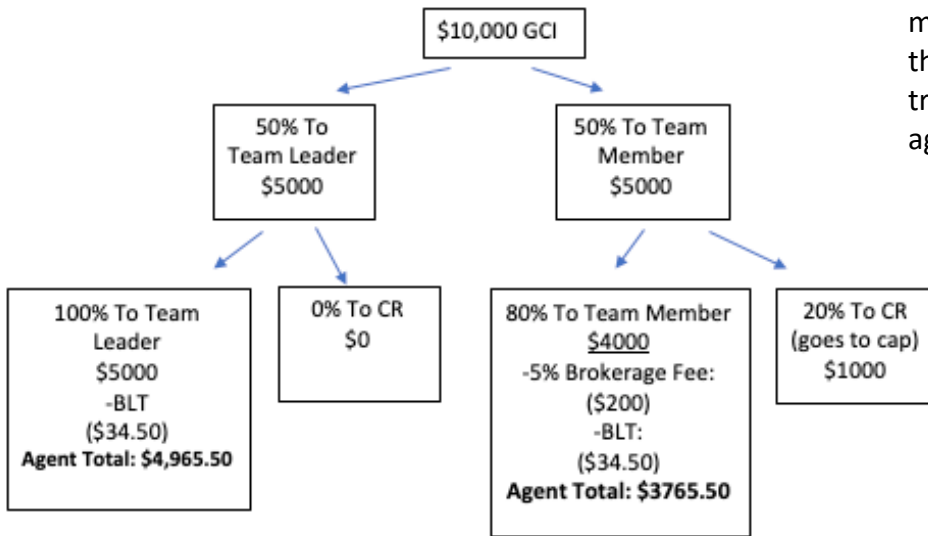
And last but not least, if the team members are married they will share a \$14,000 cap, but all commissions must be run through one member of the team, even in the case of handling a buyer and a seller on the same transaction.

These diagrams show you how this works:

Example 1: No one has capped

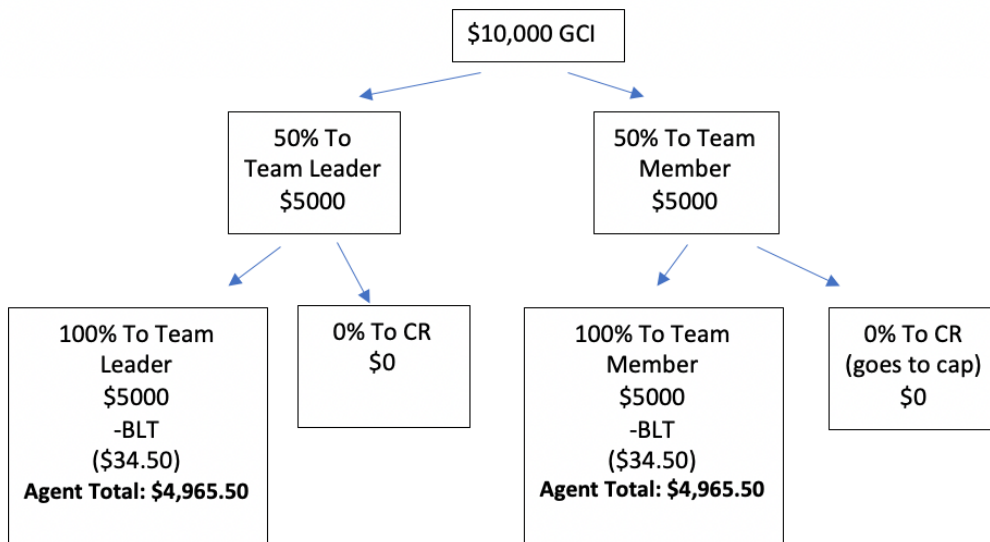


Example 2: Team leader has capped, but team member has not capped:



This does not apply to married team as long as they put all of their transactions under one agents name.

Example 3: Both have capped:



#### D. Who Is Eligible:

All agents are eligible for the CR Cap Program.

\*If a CR agent does not reach their cap in a year, they DO NOT have to make up the difference...the cap is simply a max payout per anniversary year.

\*After an agent has capped, they will remain responsible for a \$395 Transaction Fee for each closed transaction. This fee may be paid by or split with their buyer or seller but will not be paid for or split by the company.

## 24. CR REVENUE SHARE.

**A. How to Qualify.** Refer a real estate agent to CR by doing the following:

1. Initiate a recruiting conversation with a real estate agent and
2. Refer candidate and contact information on the Candidate Submission Form to your Managing Partner
3. Maintain communication and follow the directives of your Managing Partner.

The final qualification decision for the *CR Revenue Share* program will be at the Managing Partner's discretion.

**The CR Revenue Share Reward**

**10-45% of the Company Dollar\* of EVERY SINGLE CLOSING**

*\*Company Dollar is defined as that portion of a real estate brokerage commission received by CR after all of the participating brokers have been paid, and after the applicable sales associates have been paid their portion of the commission and all fees have been paid.*

All CR associates who have a real estate license are eligible for the *CR Revenue Share* reward. This includes all management, admin, and Inside Sales Associates.

**C. PAYMENT OF CR REVENUE SHARE REWARDS.**




*CR Revenue Share* Sponsor Rewards will be distributed to CR associates monthly.

*CR Revenue Share* rewards will be paid only if both the recruit and the sponsor are associated with the Company at the distribution time, OR, if the sponsor is vested. A sponsor becomes vested for life after being an agent or employee of CR for three years. Once vested, a sponsor will continue collecting rewards as long as their recruit is working for CR. Should the broker and recruit’s relationship terminate for any reason before the scheduled distribution date no reward will be distributed or owed. The broker and recruit relationship will not be considered terminated if the agent retires and has tendered his/her license to CR.

Rewards to CR associates will be reported on the associates’ 1099 form but will not be included in commission earned for split consideration calculation purposes.

You may earn up to 45% of revenue share on the agents you have attracted based on the number of active agents on the day revenue share is paid out.

**HOW TO UNLOCK YOUR MULTIPLIERS**  
***SIMPLIFIED***

| TIERS  | # OF ACTIVE AGENTS SPONSORED | SHARING % FOR BASE 1 |
|--|------------------------------|----------------------|
|  SILVER TIER  | 1-4                          | 10%                  |
|  GOLD TIER    | 5-25                         | 15%                  |
|  DIAMOND TIER | 26+                          | 25%                  |

## 5-LEVEL REVENUE SHARE PROGRAM

*Based on Agent Cap of \$14,000*

|                   |               | EARNING PERCENTAGE  | AGENTS NEEDED | \$/1 CAPPING AGENT |  |
|-------------------|---------------|---------------------|---------------|--------------------|--|
| LEVEL 1           | LEVEL 1 TIERS | 10%                 | 1+            | \$1400             |  |
|                   |               | 15%                 | 5+            | \$2100             |  |
|                   |               | 25%                 | 26+           | \$3500             |  |
| LEVEL 2           |               | 5%                  | 1+            | \$700              |  |
| LEVEL 3           |               | 5%                  | 1+            | \$700              |  |
| LEVEL 4           |               | 5%                  | 1+            | \$700              |  |
| LEVEL 5           |               | 5%                  | 1+            | \$700              |  |
| POTENTIAL REVENUE |               | 45% COMPANY DOLLAR! |               | \$6300 PER AGENT   |  |

### 25. Team Policy

At CR, we believe that allowing our agents to create Teams is an important way to build a healthy real estate practice.

If two or more agents decide to form a team, then they must register with the company as a Team and indicate the type of team that they're going to operate under. This registration must be completed and approved by CR Management before the team can begin to operate as a team.

To register, the form must be completed on the internal site. Teams are required to keep their registration current; any changes need to be submitted within 1 business day.

When completing registration, the team must indicate the following:

- 1) The team must identify a team leader, who will serve as the main point of contact for CR Management.
- 2) The registration must name all producing agents who will be a part of the team.

- 3) If the team has a licensed administrative support agent, the team must identify who that person is. This person does not count towards the production minimums for the team.
- 4) They must indicate which size team they're operating as. We have two different team size classifications:

Standard Team: 25-99 Transactions a year

Mega Team: 100 + transactions for the year

Once these requirements are met, then that team is able to equally share in all commissions among the team members, as they see fit.

Teams are allowed to make referrals to other agents outside their team and can receive referrals from other agents outside their team and can pay or receive a referral fee for that referral business. Teams are also allowed to have licensed administrative assistants, but that assistant cannot do any business other than completing administrative related tasks for team members.

For the purposes of any company contests, teams will be grouped together by team size, regardless of classification.

If teams wish to change their classification, they may do so, but have to finish out all deals first before moving to the new classification.

Teams wishing to dissolve their team must notify their MP in writing, provide a date the team will be dissolved, and outline how their business will be shut down.

Any team that includes two people who are married, or dating must work as the same type of agent and even if not registered as a formal team must operate as the same type of agent within the company.

