

REALTOR® Association of Prince William Million Dollar & Top Producer

Eligibility Information, Rules and Criteria Application Deadline: January 20, 2010 @ 4:30pm

I. **GENERAL:** The *Million Dollar Club*, sponsored by the REALTOR® Association of Prince William (dba PWAR), is composed of outstanding members who are REALTORS® (Primary and Secondary) and who have attained certain designated goals of salesmanship. Any REALTOR® member who attains one of these goals is entitled to membership if he/she is otherwise qualified, and is associated with an Association member firm in good standing. Each award application must be accompanied by a non-refundable \$35.00 application fee.

II. **PURPOSE:** To recognize and encourage outstanding REALTOR® members of the REALTORS® Association of Prince William.

III. **QUALIFICATION PERIOD:** The qualification period covers the calendar year, January 1, 2009 – December 31, 2009. Transactions counted must have settled during this period.

IV. **SUBMISSION DEADLINE:** Completed application must be received at the REALTOR Association of Prince William Office by January 20, 2010. Submissions received after January 20, 2010 will be considered late. From Jan 21 – Feb 3 there will be a \$25 late fee and from Feb 4– Feb 17 there will be a \$50 late fee. Applications will be accepted after February 17, 2010 for an application fee of \$250, however may not receive recognition at the Realtor’s Gala. *The eligibility/criteria form and the application forms will be available on and can be printed from the PWAR website. Web address is: www.pwar.com.*

V. **ELIGIBILITY:** Membership is open to any agent who is a REALTOR® (Primary or Secondary) or Principal BROKER/OWNER member in good standing with the Prince William Association of REALTORS®, and who meets the volume requirements and criteria.

A. Principal Brokers and Owners of the REALTOR® Association of Prince William Firms are eligible for membership in the Million Dollar Club.

B. Associate Brokers who act as “salespersons” are eligible for membership in the Million Dollar Club. Application forms must be signed by the Principal Broker or Sales Manager.

C. Real Estate Board Regulation (Art. 6.9, Improper Brokerage Commission) requires all compensation to a Real Estate Salesperson or Associate to be paid by his/her Principal Broker; thus, volume will only be counted for transaction with disbursement in compliance with this regulation. This applies to all categories.

VI. **CATEGORIES:** The *Million Dollar Club* is composed of two (2) separate and distinct categories of Real Estate endeavors: (1) Individuals and (2) Teams.

A. VOLUME CRITERIA: INDIVIDUAL CATEGORY

1. General: This category is designed for those members whose principle activity involves the listing and sale of Real Estate (including commercial and new homes transactions.)

2. Volume Requirements: Million Dollar Club

MILLION DOLLAR \$1,750,000 - \$4,499,999 in VOLUME; or 20 transactions

TOP PRODUCER \$4,500,000 or greater in VOLUME; or 60 Transactions

(The Million Dollar Club/Awards Committee reserves the option to audit Top Producer Award Applications.)

3. In the event a shared sale or a shared listing is made between two or more members in the same company, he/she will receive only that pro-rated share, based on compensation if compensation is paid, he/she is entitled to. Any shared sale or listing of less than 33% compensation to the applicant will not count and no credit will be given. If no compensation is involved, then supporting documentation (i.e. listing agreement, sales contract, etc.) will be provided showing participation. If no documentation is provided, then volume will not be allowed. In the event of a co-op sale or a co-op listing with another company, the company receiving 67% or more commission shall take full credit in volume and points. For example, if any member received 40% of the monetary compensation, then that member will be allowed 40% of the total volume and points. If a member received more than 67% of a transaction, said member shall claim 100% of the volume and transaction points on the Association awards form, and no other claims will be allowed.

4. Rules Applying to this Category Only:

- a. Volume will be given only for sales and listing.
- b. Leases of any type do NOT qualify for this category, except for commercial leases.

5. Rules Applying to New Homes Transactions:

a. The on-site Project Sales Manager shall receive listing volume credit for the full sales price of each home in that project, whether sold "in-house" or on a co-op basis with a general brokerage residential agent.

b. Selling Credit for New Homes Sold: In those situations where a project co-ops; i.e., pays a commission or finder's fee to a residential agent's Broker for producing a purchaser, the residential agent producing the purchaser may count the full sales price toward volume in the Residential Category.

c. The on-site Project Sales Manager who is ALSO the procuring cause for the builder shall receive volume credit for both the sale and listing for in-house transactions only; i.e. not involving a co-op agent. When a co-op agent is involved in the transaction, such on-site Project Sales Manager shall count the volume only once.

d. The agent who is not the on-site Project Sales Manager, but is the verifiable procuring cause for that project AND is accordingly compensated for that purpose by the agent's Broker, shall be entitled to claim the full sales price of each home sold and settled in that project toward volume.

NOTE: AGENTS WHO MERELY LIST NEW HOMES IN THE MLS AS A SERVICE TO THE BUILDER OR BROKERAGE, BUT ARE NOT DIRECTLY INVOLVED IN ANY OTHER ASPECT OF THE TRANSACTION, ARE ELIGIBLE ONLY WITH A VERIFIABLE LISTING AGREEMENT. VOLUME CREDIT WILL NOT BE GIVEN TO AGENTS WHO ARE NOT THE VERIFIABLE PROCURING CAUSE AS NOTED ABOVE ON THE SALE OF A PROPERTY OR PROJECT.

If a New Homes subdivision has more than one Sales Manager (site-agent) and the compensation is shared, each agent will receive volume credit in the same proportion as the shared compensation was distributed. Example: if two agents divide \$1,200 -- \$800 to agent A and \$400 to agent B, the volume credit is divided with 67% of the sales price to agent A and 33% to agent B.

6. Rules Applying to Commercial Transactions

a. In the case of Commercial lease, the gross rental value of leases commencing during the calendar year qualification period, up to a maximum of ten (10) years, will count toward VOLUME. (Example: If a 10,000 square foot warehouse, renting at \$2.00 per square foot per year is leased for a term of five years, the Allowable Leasing Volume would be \$100,000. If that same warehouse were listed and leased

by the sales agent, the Allowable Leasing Volume would be \$200,000).

b. Leases shall count in the year in which lease commences. For example: If a lease is written in 1999 to commence in 2000, the lease will not count for the 1999 qualification period, but if the tenant does in fact move in 1999, the lease will count in that year. Should the lease never commence, as where a shopping center is leased but is never constructed, then the lease shall not count towards membership in any year.

c. In determining allowable leasing volume, commercial leases will be counted up to a maximum of ten years. In other words, if a lease is for a firm term of fifteen years, only the first ten years will count toward membership in the year in which the lease commences. By a firm term, it is meant that if a lease has a five-year option, the option will not count toward membership, either in the year in which the lease commences, or in the year in which the option is exercised. If the lease contains a cancellation clause (for example, after three years), only the firm non-cancelable portion will be allowed as a credit toward membership and the allowable leasing volume will be figured accordingly.

d. When a lease calls for a tenant to pay Real Estate taxes, etc. in addition to base rent, the value of that lease shall be determined by using the base rent only. Insurance, real estate taxes, etc., shall be omitted.

B. VOLUME CRITERIA: TEAM AWARDS

1. General: This category is designed for those members (Teams) whose principle activity involved the listing and Real Estate (including commercial and new homes transactions.)

2. Volume Requirements: *Team Million Dollar/Top Producer Club*

TEAM MILLION DOLLAR \$2,750,000-\$7,299,999 in VOLUME; or 30 Transactions

TEAM TOP PRODUCER \$7,300,000 or greater in VOLUME; or 90 transactions

3. Rules Applying to this Category Only:

a. Any advertising during the contest year, that implies a TEAM effort, **MUST** be submitted for a TEAM Award, and will not be eligible for an individual award.

b. Agent(s) who have one or more Active Licensed assistants, are considered as TEAM Members, and agent(s) **MUST** submit for a TEAM Award.

c. Two or more licensed agents working together, who imply a TEAM effort during the contest year, **MUST** submit for a TEAM Award.

d. Rules regarding Residential, New Homes, and Commercial Transactions also apply to TEAM Awards.

Examples of **TEAM** Effort may be, but are not limited to: Joint Advertising; Multiple participation in transactions; Office recognition as a team.

If any/all of the above criteria is met, application will automatically be considered for a TEAM award.

4. Rules Applying to New Homes Transactions

The on-site Project Sales Manager (Teams) shall receive listing volume credit for the full sales price of each home in that project, whether sold "in-house" or on a co-op basis with a general brokerage residential agent.

The on-site Project Sales Manager who is **ALSO** the procuring cause for the builder shall receive volume credit for both the sale and listing for in-house transactions only; i.e. not

involving a co-op agent. When a co-op agent is involved in the transaction, such on-site

Project Sales Manager shall count the volume only once.

NOTE: AGENTS WHO MERELY LIST NEW HOMES IN THE MLS AS A SERVICE TO THE BUILDER OR BROKERAGE, BUT ARE NOT DIRECTLY INVOLVED IN ANY OTHER ASPECT OF THE TRANSACTION, ARE ELIGIBLE ONLY WITH A VERIFIABLE LISTING AGREEMENT. VOLUME CREDIT WILL NOT BE GIVEN TO AGENTS WHO ARE NOT THE VERIFIABLE PROCURING CAUSE AS NOTED ABOVE OF THE SALE OF THIS PROPERTY OR PROJECT.

5. Rules Applying to Commercial Transactions

a. In the case of Commercial lease, the gross rental value of leases commencing during the calendar year qualification period, up to a maximum of ten (10) years, will count toward VOLUME. (Example: If a 10,000 square foot warehouse, renting at \$2.00 per square foot per year is leased for a term of five years, the Allowable Leasing Volume would be \$100,000. If that same warehouse were listed and leased by the sales agent, the Allowable Leasing Volume would be \$200,000).

b. Leases shall count in the year in which lease commences. For example: If a lease is written in 1999 to commence in 2000, the lease will not count for the 1999 qualification period, but if the tenant does in fact move in 1999, the lease will count in that year. Should the lease never commence, as where a shopping center is leased but is never constructed, then the lease shall not count towards membership in any year.

c. In determining allowable leasing volume, commercial leases will be counted up to a maximum of ten years. In other words, if a lease is for a firm term of fifteen years, only the first ten years will count toward membership in the year in which the lease commences. By a firm term, it is meant that if a lease has a five-year option, the option will not count toward membership, either in the year in which the lease commences, or in the year in which the option is exercised. If the lease contains a cancellation clause (for example, after three years), only the firm non-cancelable portion will be allowed as a credit toward membership and the allowable leasing volume will be figured accordingly.

d. When a lease calls for a tenant to pay real estate taxes, etc. in addition to base rent, the value of that lease shall be determined by using the base rent only. Insurance, real estate taxes, etc., shall be omitted.

VII. LIFE MEMBER “MILLION DOLLAR CLUB” (ONE TIME AWARD)

A. Life Member Award

Recognition will be given to members who have attained membership in the Prince William Association of REALTORS® “*Million Dollar Club*” for ten or more qualification periods (consecutive or non-consecutive).

B. An appropriate certificate (complimentary) and/or plaque (if purchased), will be awarded to each life member at the annual *Million Dollar Award Night*.

C. An appropriate plaque will be awarded complimentary for each 20, 25 and 30 year MILLION DOLLAR CLUB member.

VIII. LIFE MEMBER “TOP PRODUCER” AWARD (ONE TIME AWARD)

A. Recognition will be given to members who have attained membership in the Prince William Association of REALTORS® TOP PRODUCER Club for five qualification periods (consecutive or non-consecutive).

B. An appropriate certificate (complimentary) and/or plaque (if purchased), will be awarded to each

life member, TOP PRODUCER, at the annual Million Dollar Awards night.

IX. RULES AND GUIDELINES APPLYING TO ALL CATEGORIES:

A. Each candidate for membership in the Club shall notify his/her Principal Broker or Sales Manager with whom he/she is associated with as of December 31 and must provide a separate certificate from all Principal Broker or Sales Managers with whom he/she was associated with during the qualification year. All certificates must be certified by the appropriate Certified Broker/Sales Manager. All entries using Association forms must be typed or computer generated.

B. If a Broker makes a change to submitted volume (whether within their own office or with another brokerage), the reason for the change must be put in writing, clearly outlining the facts and reason for the change, and must be supported by any material documentation related to the circumstances. This information must be submitted to the committee at the time of application or upon request during the awards application review process. The committee will evaluate the information submitted by all individuals involved in the change in volume and promptly render a decision that is most adequately and accurately supported by the rules/regulations of the awards program. All brokers involved will be notified in writing of the final decision.

C. ALL ENTRIES ARE SUBJECT TO REVIEW. All Entries may be reviewed at the discretion of the *Million Dollar Club/Awards Committee*. At their discretion, the *Million Dollar Club/Awards Committee* may review a minimum of ten percent (10%) of all entries for awards in the Broker's office from which the entry emanates. All candidates for membership shall cooperate with the Million Dollar Club/Awards Committee and provide the Committee with the appropriate supporting material as determined by the *Million Dollar Club/Awards Committee* to substantiate the application within five (5) days. By way of example, but not limited to, such support material may be in the form of original listing forms, contracts, settlement sheets, company case sheets, commission disbursement records, documentation verifying commission splits, and such other evidence to substantiate the application as deemed necessary by the *Million Dollar Club/Awards Committee* in its sole discretion. A failure on the part of any applicant, Principal Broker and/or Sales Manager to promptly and fully cooperate with the *Million Dollar Club Awards Committee* in connection with its review shall result, in the sole discretion of the *Million Dollar Club/Awards Committee*, in the disqualification of the applications.

D. Upon review of the supporting documentation, any discrepancies may cause further review of all candidates in said office.

E. Upon review of the supporting documentation, the *Million Dollar Club/Awards Committee* will make the final determination of the appropriate award category.

F. Each candidate for membership must be a member (Primary or Secondary) of the Prince William Association of REALTORS® in good standing at the time each transaction settled. (See Exception.)

EXCEPTION: Members who have transferred from another Association to the Prince William Association will be eligible for membership in the *Million Dollar Club* if they have met either the PWAR Sales Award criteria or their previous Association's annual sales award criteria. Guidelines (volume requirements) of previous Association should be attached to the application. Previous *Million Dollar Club* accomplishments will also be transferable.

G. A candidate may make application for membership in only one category.

H. Achieve minimum qualifications in category applied for.

I. Sales and listings include all types of Real Property such as residential, land, lots, commercial and business investment properties. *Only transactions that occur in jurisdictions where candidate is licensed may be counted.*

J. The MRIS Agent Sales Report is the ONLY acceptable support of volume accepted by the PWAR Awards Committee.

K. All sales contracts must be settled between January 1 and midnight December 31 of the qualification year.

L. Sales volume and/or leasing volume attained individually by one member cannot be assigned to another member for purpose of meeting qualification requirements.

M. In the event a "member" transfers from one PWAR-Broker to another PWAR-Broker, all transactions made and settled in the contest period shall be counted. If the qualified "member" has transferred from the firm on one PWAR-Broker during the qualification period, the plaque will go to the firm with which the "member" is associated as of December 31st.

N. When a member sells his/her own listing a separate entry must be made for the listing and sale. The FULL sales price (sales and listings for Residential and Commercial) will be credited toward VOLUME. When a Residential or Commercial member sells his/her own listing, the FULL SALES PRICE (AND APPLICABLE POINTS) MAY BE COUNTED TWICE FOR ALLOWABLE VOLUME. Example: If a \$60,000 property is listed and sold by the same sales agent, the Allowable (Listing) Volume would be \$60,000 and the Allowable (sales) Volume would be \$60,000, for the total Allowable Volume of \$120,000. However, if you were a co-lister and sold your own co-listing, your Allowable (listing) Volume would be \$30,000 and the Allowable (Sales) Volume would be \$60,000 for the Total Allowable Volume of \$90,000.

O. Submission of any information not directly or wholly attributable to the applicant in any category or the submission of an entry without the signature of the applicant and the certifying Broker(s) or Sales Managers(s) may lead to possible disciplinary action by the Association.

P. In the event a shared sale or a shared listing is made between two or more members in the same company, he/she will receive only that pro-rated share he/she is entitled to. Any shared sale or listing of less than 33% compensation to the applicant will not count and no credit will be given. This paragraph applies to leasing volume as well. If no compensation is involved, then supporting documentation (i.e. listing agreement, sales contract, etc.), will be provided showing participation. If no documentation is provided, then volume will not be allowed. In the event of a co-op sale or a co-op listing with another company, the company receiving 67% or more commission shall take full credit in volume and points. For example, if any member receives 40% of the monetary compensation, then that member will be allowed 40% of the total volume and points. If a member receives more than 67% of a transaction, said member shall claim 100% of the volume and transaction points on the Association awards form, and no other claims will be allowed.

Q. Where a referral fee of 33% or more of the total brokerage has been paid for a prospect, the selling/listing member shall receive applicable credit based on the final sales price. (*Agent A refers listing to Agent B; Agent A pays Agents B 33% referral fee; Agent A's allowable volume is 67%.*) (*These do not apply to relocation referral fees.*)

R. Relocation fees of less than 33% total brokerage earned strictly for referring out shall not count and no volume will be granted.

Finder's fees, such as those paid on new homes, shall count toward volume and the member receiving the fee may count 100% of the sales price for volume.

In the event of a forfeiture, no credit will be given to volume, transaction or points.

S. In cases where a property is taken in trade/guaranteed sale or guaranteed trade, no credit will be given to volume, transaction or points and cannot be counted until the property is sold and settled.

T. Exchanges (trading equity) will be considered for qualifying purposes and will be reviewed on an individual basis. Appropriate documentation must be submitted with the application.

U. Roll-overs /Contract Owner. Defined as buying property for resale, your own portfolio as an investment, or to hold temporarily for an investor will not be considered for award purposes unless title to the property is taken (i.e. deed recorded.) However, Contracts for Deed that settle are acceptable.

V. Dwellings of four units or less will be considered in the Residential category and dwellings of five units or more will be considered in the Commercial category.

X. FINAL APPEAL GUIDELINES

A. PWAR REALTOR® member may request an appeal on any production and/or awards category decision to the Board of Directors once all efforts and/or appeals through the Million Dollar Awards Task Force have been exhausted.

All appeals must be submitted in writing and shall include all pertinent facts relating to the appeal including but not limited to the following:

- All changes/decisions made by the Million Dollar Awards Task Force that are being appealed.
- Supporting documentation such as listing agreements, contracts and settlement statements.
- Name, address and phone number(s) of all agents, brokers and other parties involved.

A written statement outlining the facts as seen by the appealing party and any other information that may be requested by the task force or Board of Directors during the appeal process.

The PWAR Board of Directors, at their discretion, will determine as to whether an appeal is warranted. All requests for an appeal shall be requested no later than March 30 of the calendar year in which the committee made the award decision.

Should the appeal process go beyond the date of the annual Million Dollar Awards Ceremony, the REALTOR® member will be presented with the award(s) determined by the task force and may be substituted at a later date should the committee's decision be overturned by the Board of Directors. All decisions relating to appeals shall be delivered in writing.

Any decisions that relate to the following are to be appealed directly to the Million Dollar Awards Task Force and are not subject to an appeal to the Board of Directors. Any decisions relating to the following matters shall be made solely by the task force and all decisions shall be final.

- Late Fees
- Failure to follow instructions
- Application deadlines
- Refusal to allow the committee to complete an application review in the broker's office

X. USAGE OF PWAR DESIGNATIONS IN ADVERTISING

A. Proper usage of PWAR Award Designations in Advertising is printed below for your information and compliance by all PWAR members.

WHEREAS, the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® provides that REALTORS® should seek no unfair advantage over other REALTORS®, that they shall avoid exaggeration, misrepresentation, or concealment of pertinent facts; and shall be careful at all times to present a true picture in their advertising to the public.

THEREFORE, BE IT RESOLVED, that each REALTOR® member of this Association, recognizing their responsibility in the administration and conservation of interests committed to them, and conscious of the confidence reposed in them, pledges that they will observe and comply with those rights and responsibilities relating to the following problem areas in advertising of REALTOR® Association of Prince William awards (including business cards.)

B. PWAR Awards shall, when used in advertising, be identified in the following manner, specifying the last year in which the award was earned:

- a. *PWAR Million Dollar Club, 2009*

- b. *PWAR Top Producer, 2009*
- c. *Life Member, PWAR Million Dollar Club*
- d. *Life Member, PWAR Top Producer*
- e. *PWAR Team Million Dollar Club 2009*
- f. *PWAR Team Top Producer 2009*
- g. *Life Member, PWAR Team Million Dollar Club*
- h. *PWAR Team Top Producer*
- i. *2008 PWAR REALTOR® of the Year, etc.*

EXCEPTION: PWAR Life Member and those recipients of current award.

C. Recipients of PWAR Awards shall, when used in advertising, be at all times sensitive to misrepresentation when more than one REALTOR® member is a recipient of the same award. Example: “Number One Real Estate Agent” when, in fact, the agent is a recipient alphabetically with all other recipients.

D. PWAR Members and Member Firms may advertise the names of recipients of PWAR awards once they have been notified by the *Million Dollar Club/Awards Committee* of their acceptance into the *Million Dollar Club*.

E. Any award levels earned under the previous criteria is deemed grandfathered and can be used in any advertising media.

Example: Life Member, *PWAR Million Dollar Sales Club*; Member, *PWAR Million Dollar Sales Club* – 2006.

NOTE: The above rules for advertising by PWAR REALTOR® members were prepared by the Prince William Association of REALTORS®, Inc. *Million Dollar Club/Awards Committee* and adopted by the Prince William Inc. Association of REALTORS®, in 1996.

For Clarification of any of the information contained herein, please contact the designated member of the *PWAR Million Dollar Club/ Awards Committee* indicated below:

MaryAnn Bendinelli, Chairman, *Million Dollar Club/Awards Committee* 703-368-1184, bendinel@rcn.com