

METRO SOUTH ASSOCIATION OF REALTORS® 2008 CIRCLE OF EXCELLENCE MEMBERSHIP RULES AND REGULATIONS

Selection to the Circle of Excellence is an honor bestowed upon certain REALTOR® Members who reach specific levels of performance and meet eligibility requirements.

I. Membership Requirements

- A. Must be a REALTOR® Member of the Association (employee or independent contractor, officer or otherwise of any real estate broker, individual or firm; who is licensed under the Georgia Real Estate Commission) **for the qualifying year** and must not have applied for, or been accepted for, membership in the Circle of Excellence in another Association or Board for the same year.
- B. Must have been a REALTOR® Member during all portions (or from time of licensure for new agents) of the qualifying year, and shall not have had a lapse in membership when transferring from another Association.
- C. A **Member in Good Standing** is a member who has paid all dues and late fees, according to the Constitution and Bylaws of the Metro South Association of REALTORS® as well as all past due invoices and has completed Orientation within six months of joining Metro South Association of REALTORS®.
- D. To qualify, an individual must fulfill the following requirements:
 1. Produce new business in the amount of or in excess of \$1,000,000 during the qualifying year.
 2. Only transactions closed after the effective date of membership in a Board of REALTORS® will count as Circle of Excellence volume. The effective date for counting volume will be the date the Board office receives the application for Board membership provided the applicant fulfills all Board membership requirements, which include attending Orientation and receiving Board of Directors approval, within a period of 180 days from the

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date the application for Board membership is received by the Board office. In the event the COE applicant does not fulfill the foregoing requirements, then the applicant's effective date for counting volume for the COE purposes will be the official date of Board membership in accordance with the Bylaws. The Circle of Excellence Committee will not be responsible for researching "classes/levels" of membership, but will rely on applicant's statement on application form.

3. Must be a member of the Metro South Association of REALTORS® at the time of election and at the time of presentation of awards. The time of election is the date which the Board of Directors of the Metro South Association of REALTORS® approves membership in the Circle of Excellence.
4. As in the case of all organizations sponsored by the Metro South Association of REALTORS®, membership in the Circle of Excellence shall be contingent upon membership in good standing in the Metro South Association of REALTORS®. If, for any reason, a member of the Circle of Excellence ceases to be a member of the Metro South Association of REALTORS®, his/her membership in the Circle of Excellence is automatically terminated. A LIFE member who ceases to be a member of the Metro South Association of REALTORS® shall have no vote or voice in the Circle of Excellence.
5. Must be approved by the Board of Directors of the Metro South Association of REALTORS®.
6. Application must be submitted on official form provided by the Board. Photocopy of the blank forms are acceptable, and computer forms will be accepted if they are exact duplicates of the Board form. No FAX copies will be accepted.

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7. The REALTOR®/applicant must swear and the Broker of his/her firm must certify to the truth of all statements on the application including the description of the division of the commission. With each application, there must be a check for the application fee made payable to the Metro South Association of REALTORS®. Letter(s) of Certification must be signed by the Broker(s) of the firm with whom the REALTOR®/applicant is/was affiliated at the time the reported transaction occurred. If applicant's transactions are reflected by different companies, the applicant's current Broker and previous Broker must each sign a letter of certification.
8. The dues may be paid and the member remains in good standing by the addition of penalties added to the dues paid. The penalties shall be as follows: For new members, if Board dues are not paid within 30 days of membership to a member firm or brokerage company, a penalty of \$50 shall be imposed for day 31. Additionally, a fine of \$25 for each 30 day period thereafter (day 61, etc.) shall be due from the member. For current members, if Board dues are not paid before October 1, a penalty of \$50 shall be due for October 1-31 (whether or not said days are on a weekend), an additional penalty of \$25 shall be imposed for each month late thereafter.
9. Application must be in the Board office within the designated times and dates specified on the application checklist. Postmark dates are not accepted. Any application received after said time and date will be automatically rejected regardless of reason.
10. Applications: With each application there must be a signed, detailed, **TYPED** statement of the applicant's business for the qualifying year, including:
 - a. Address of the property.
 - b. Closing/leasing date of the transaction.
 - c. The names of the parties to the contract.
 - d. Sales price/lease amount for year

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- e. Listing credit amount and totals
- f. Selling/leasing credit amount and totals
- g. Total credit claimed for the transaction and totals
- h. Commission received by the Company.
- i. Percent of Ownership (if any) in property.
- j. Co-op agent/company.

The committee will audit 10% of all applications taken in and has the right to request full documentation (listing/leasing agreements, closing/lease statements and Purchase and Sales Agreement Page 7) from applicants. If the applicant does not provide full documentation within three business days (Monday through Friday) from the date of the request, the application will automatically be denied.

II. Computation for Volume Credit

A. **FOR SALES:** The amount of the purchase price shall be credited or in the event there is no fixed or stipulated purchase price (as in the case of an exchange of properties), then the values used to determine the commission shall be the amount credited. The effective date for volume credit for sales shall be the date on which title is passed.

Exception: In the case of a building contract, the effective date for credit for the lot is when title is passed, provided a commission is paid at that time. In the event there is no closing statement, for the improvements thereon, the effective date for credit is at the time commission is paid, proof of which is a copy of the commission check - including detailed stub.

Credit may be claimed only for sales materially participated in by the REALTOR®/Applicant. Under no circumstances can an applicant take credit for another REALTOR'S® participation in the contract.

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EX: Listing Agent "A" and Selling Agent "B" materially participate in a contract. Listing agent "A" can claim credit only for the Listing portion of the sale (50%) and Selling Agent "B" can claim credit only for the Selling portion of the sale (50%). If Listing Agent "A" is not applying for COE Membership, Selling Agent "B" **CANNOT** claim that portion of the sale as credit. If either Agent is listed on the signature page of the contract with another agent, then that portion of the Credit will be divided equally between the agents listed on that portion of the contract for volume credit.

If the REALTOR®/ Applicant's name does not appear on the signature page of the contract, then NO CREDIT will be allowed.

- B. **FOR LEASES:** The amount (value) of the lease for the qualifying year. Example: A five-year lease for a total of \$20,000.00 in lease payments is \$20,000.00 / (divided by) 5 = \$4,000.00 credit for qualifying year. The effective date for volume credit for leases is the date of occupancy or the date the rental began, whichever comes first.
- C. **CO-OP SALES:** If more than one individual (either co-op companies or within the same firm) actively participates in any sale or lease, the volume credit allowed for qualification shall be in the same proportion as the percentage of the transaction claimed by the individuals. For example, if two applicants split a transaction 50/50, each would receive 50% credit, if each applicant is paid a commission by Broker based on the percentage of transaction claimed.
- D. **SYNDICATION:** Where a REALTOR®/applicant sells shares of ownership in property through Syndication, the volume credit allowed shall be in the same proportion to the whole as the percent of ownership which that salesperson sells in the syndication transaction.
- E. **INSTALLMENT COMMISSION:** Full credit will be allowed in the year of closing of a transaction where an installment commission exists.

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- F. **OWNERSHIP POSITIONS**: When an applicant has an ownership position in a sale or lease for credit towards qualifying for membership in the Circle of Excellence, he/she shall be penalized to the extent of the ownership position in the sale or lease.
- G. **REFERRAL FEES FROM/TO ANOTHER BROKERAGE COMPANY**: No volume credit shall be allowed for referral fees received from another brokerage company. Likewise, no deduction in volume credit is required for referral fees paid by an applicant's broker to another brokerage company.
- H. **NO CREDIT** shall be allowed for any transactions in which a fee is collected and such fee is not contingent upon the actual closing of the transaction. No credit shall be allowed for appraisals, evaluations and consultations of any kind, regardless of the purpose.

A MINIMUM OF \$500 MONETARY CONSIDERATION PER TRANSACTION, MUST BE EARNED AND VERIFIABLE BY A CLOSING STATEMENT AND CONTRACT OR OTHER DOCUMENTS, EFFECTIVE FOR THE QUALIFYING YEAR.

III. Transaction Definitions

- A. Applicants volume will be categorized by the following property definitions:
1. Residential
 - a. Any improved property zoned residential up to and including, but not exceeding four (4) units per transaction.
 - b. A single transaction involving the transfer of residentially zoned improved lots.
 - c. Non-subdivided land sold, zoned residential and closed for specific use of development for a residential subdivision.

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- d. Large acreage tract with one or more residential homes sold for the express use of the property owner for residential purposes.
 - e. Up to 25% of residential can be from commercial sales.
2. Commercial
- a. Any transaction which is not residential. Determinations to be made by the zoning on the property at time of closing.
 - b. Up to 25% of the commercial transactions can be from residential sales.

A member can make application for residential and commercial categories with a minimum of \$1 million net volume in each category. Applicant will have an additional fee for plaque.

IV. Qualification Categories

- A. **Individual:** Applicant shall have no licensees working for the applicant at any given time during the qualifying year which is paid either directly or indirectly by the applicant for work performed during his/her qualifying year.
- B. **Partnership:** Two licensees doing business under one name and/or sharing commissions during their qualifying year. Must sell a minimum of \$2 million net volume.

Team I: If an applicant employs (per the Georgia Real Estate Commission) one or two licensed assistants (as defined by the Georgia Real Estate Commission) at any period during the qualifying year and/or claims credit for another agent's sale or listing activities, the applicant who claims the credit will be placed in a "Team I" category when being considered for awards. This will apply whether or not the non-applicant agent receives a commission, salary or referral fee. All team members must be in good standing with the Board.

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- C. **Team II:** If an applicant employs three or more licensed assistants (as defined by The Georgia Real Estate Commission) at any period during the qualifying year and/or claims credit for another agent's sale or listing activities, the applicant who claims the credit will be placed in a "Team II" category when being considered for awards. This will apply whether or not the non-applicant agent receives a commission, salary or referral fee. All team members must be in good standing with the Board.

V. Levels of Membership

- A. **Active Member:** One who has been elected to the Metro South Association of REALTORS® Circle of Excellence for the year immediately following his/her qualifying year.
- B. **Life Member:** One who has been elected to membership in a Board of REALTORS® Circle of Excellence for three consecutive years or ANY five years.
- C. **Active Life Member:** One who has been elected to LIFE Membership and is also an Active Member.

Applicants may transfer Circle of Excellence credit years awarded in another Board of REALTORS® to apply towards award recognition with the Metro South Association of REALTORS® Circle of Excellence. Applicants must submit verification of years transferring from other boards signed by the Executive Officer. Applicants must meet all requirements as set forth in these rules and must be accepted into current Circle of Excellence in order to be awarded the level of recognition for which the applicant has applied.

VI. Awards

A. Recognition

1. **Residential Individual Top Producer:** One who has been elected for the year immediately following his/her qualifying year and who produced the largest amount of dollar volume.
2. **Commercial Individual Top Producer:** One who has been elected for the year immediately following his/her qualifying year and who produced the largest amount of dollar volume.

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3. **Top Partnership:** A partnership of two licensees doing business under one name that has been elected for the year immediately following their qualifying year and who has produced the largest amount of dollar volume.
4. **Residential Top Team I:** A team who has been elected for the year immediately following his/her qualifying year and who produced the largest amount of dollar volume.
5. **Residential Top Team II:** A team who has been elected for the year immediately following his/her qualifying year and who produced the largest amount of dollar volume.
6. **Commercial Top Team I:** A team who has been elected for the year immediately following his/her qualifying year and who produced the largest amount of dollar volume.
7. **Commercial Top Team II:** A team who has been elected for the year immediately following his/her qualifying year and who produced the largest amount of dollar volume.

B. Special Awards

1. **Zenith Award:** 10 Years Membership including the qualifying year.
2. **Gold Award:** 15 Years Membership including the qualifying year.
3. **Platinum Award:** 20 Years Membership including the qualifying year.
4. **Diamond Award:** 25 Years Membership including the qualifying year.
5. **Hall of Fame Award:** 30 Years Membership including the qualifying year.

VII. Circle of Excellence Committee

- A. The Circle of Excellence of the Metro South Association of REALTORS® has been established and is sponsored by the Metro South Association of REALTORS®. All actions of the Club shall be subject to approval of the Board of Directors of the Metro South Association of REALTORS®. The Board of Directors of the Metro South Association of REALTORS® further reserves the right to modify and amend the rules and regulations of said Club from time to time and/or to dissolve the Club at its discretion.

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The Circle of Excellence Committee, shall be authorized to set an application fee, with the Board of Directors approval, prior to requesting applications for membership in the Circle of Excellence. This fee covers costs of promotion and honoring Club members, and plaques or certificates to be given to those who become eligible for membership in the Circle of Excellence. In the event an applicant does not qualify for membership, for whatever reason(s), the application fee will be returned.

- B. **Composition of the committee:** The President of the Association, on or before December 31 of each year, shall appoint an Admissions Committee with the approval of the Board of Directors. It shall be the duty of this committee to consider all applications in a timely manner, and submit a report to the Board of Directors of the Metro South Association of REALTORS® no later than the February Board of Directors meeting, giving their recommendations with regard to each applicant. An approval of an applicant by the Board of Directors shall automatically elect the individual to membership for that membership year. All Life Member and all Active Life Member elections shall be automatic upon their qualifications.

VIII. Circle of Excellence Seal

- A. Members of the Circle of Excellence shall be authorized to use the Circle of Excellence seal adopted by the Board of Directors of the Metro South Association of REALTORS® for use on business cards and letterheads only during the year in which they are members of the Circle of Excellence. Only Life Members of the Circle of Excellence shall be eligible to use such seals and insignia, in gold, as long as they live, but will only be included in any promotions, if they are currently a member in good standing of a Board of REALTORS®.
- B. The seal of the Circle of Excellence shall not be used by anyone who does not hold an active real estate license. The seal of the Circle of Excellence shall not be used in promoting businesses other than active real estate brokerage businesses, and shall not be used except in conjunction with active real estate brokerage businesses. This seal is the property of the Metro South Association of REALTORS®

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and enforcement of this rule lies with the Board of Directors of the Metro South Association of REALTORS®.

- IX. These amended rules and regulations of the Circle of Excellence shall apply to business produced in 2007 and thereafter until modified by the Board of Directors of the Metro South Association of REALTORS®.**

The final decision of any transactions not covered by these rules or interpretations of these rules shall be decided by the Board of Directors of the Metro South Association of REALTORS®.

Revised:

Date 12/31/2006 - PT