

# **POLICIES and PROCEDURES MANUAL**

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# ***Floridian***

## **REALTY SERVICES, LLC**

### **POLICIES and PROCEDURES MANUAL**

1. Floridian Realty Services, LLC is an equal opportunity company and conducts its business in accordance with the Federal Fair Housing Law and National Association of Realtors Code of Ethics & Standards of Practice, and neither it nor any of its Broker Associates, Sales Associates, or staff shall discriminate in any way for reasons of race, color, religion, sex, sexual orientation, national origin, handicap, or familial status.

#### **2. ASSOCIATES' ROLE AND RESPONSIBILITIES**

2.1. ***Definitions.*** An employee of the company is anyone who receives a wage or salary. "Broker Associates" and "Sales Associates" (hereinafter referred to as Associates) are compensated by commission and, therefore, do not have an employee/employer relationship with the Broker. Rather they are "Independent Contractors."

1. Associate pays all own dues, auto expenses, and entertainment expenses.
2. Associate has not been required to maintain specific floor day schedules, nor forced to attend meetings. Each Associate shall decide individually when to take vacations.
3. Associate is not required to meet mandatory quotas.
4. Associate pays own income tax and FICA.
5. Associate receives no minimum salary or sick pay.
6. Association with Broker may be terminated by either party at any time upon notice, but the rights of the parties to any fees which accrue prior to said parting shall not be divested by either party.
7. This policy manual is advisory only.

Each Associate is directly subject to sanctions from governmental bodies and the Code of Ethics of the National Association of REALTORS®. An Associate is not required to join training programs or group programs.

2.2. ***Independent Contractor's Agreement.*** An Associate joining Floridian Realty Services, LLC and the Broker must sign the agreement, "*Personnel Records, Licensing.*" Each Associate must ensure that copies of his/her latest continuing education, current Form 2050, current real estate license and drivers license, confirmation of current paid insurance and endorsements, and an executed Independent Contractor's Agreement are on file with Floridian Realty Services, LLC. An Associate must complete Form 2050 when there are any changes in status and pay for any applicable fees.

- 2.3. **Confidentiality.** The confidential nature of our business cannot be stressed strongly enough. It is most important that what each Associate hears in this office and in the course of doing business be kept within the confines of our walls.

Associates are expected to hold trade secrets that are entrusted to them. This includes never discussing names of customers or principals with anyone. When in doubt, seek the council of the Broker.

It is highly inappropriate to discuss such matters with the post person, neighbors, friends, or anyone else who does not qualify for this knowledge. Any violation shall result in automatic termination and prosecution.

- 2.4. **Vehicle Insurance.** An Associate must have his/her own vehicle in good, clean operating condition and show proof of a paid policy from the Associate's insurance company showing type of coverage and limits for liability. (A minimum \$100,000/\$300,000 is required.) Also, Floridian Realty Services, LLC should be added to the policy as an "Additional Insured".
- 2.5. **Insurance on Personal Effects.** An Associate should ensure that his/her own insurance policy covers loss or damage to any personal effects left in the office. Floridian Realty Services, LLC will not pay for any losses or damages.
- 2.6. **Professional Dues and the Multiple Listing Service (MLS).** Floridian Realty Services, LLC is a member of the Englewood Area Board of Realtors, and participates in its Multiple Listing Service (MLS), making it incumbent upon each Associate to follow suit.

The Board of Realtors will give each new Associate a rate of fees and an orientation schedule. Costs to join and to continue as a member of the Board (and the MLS) are those of the Associate. No Associate will be given Floor Duty unless orientation is complete and the Associate is in good standing with the Area Board.

- 2.7. **In-House Training and Self Improvement** Sales meetings for Associates are held periodically. Group and individual training sessions are scheduled as appropriate. The training sessions cover a wide range of topics, including new technologies, law updates, etc., and may include guest speakers. Associates shall use their best effort to attend scheduled sales meetings.

Associates new to Floridian Realty Services, LLC whether newly recruited or experienced, are encouraged to ask for the Broker's input on issues until a level of comfort is reached.

Associates are strongly urged to improve professional competence by attending the educational programs offered by the Englewood Area Board of Realtors, the National Association of Realtors, and various institutes, societies, councils and private organizations. These programs are at the Associate's expense.

- 2.8 **Organizational Structure/Mission Statement** Associates are to report directly to the Broker in instances of questions, assistance, contract disputes, etc. An Associate should not attempt to undertake any actions on their own. The Broker should be notified immediately.

Floridian Realty Services, LLC assists sellers, buyers, landlords, and tenants of residential, commercial, and vacant land in the Greater Charlotte County Area.

3. **OFFICE TOURS/MEETINGS.** Tours and Meetings are scheduled periodically by the Broker or by a person designated by the Broker. An Associate with a property on tour is expected to do the following:

- Clear the appointment with the Owner
- Provide access to the property
- Answer questions
- Introduce the other Associates to the Owner
- Report any comments to the Owner

It is strongly recommended that all Associates attend sales meetings whenever possible, as they are for the benefit of the entire office. If an Associate is having a problem or would like to discuss any matter, that Associate is encouraged to do so at the sales meeting or privately with the Broker.

4. **OFFICE HOURS, ROUTINES.**

4.1. **Office Hours.** Floridian Realty Services, LLC routinely closes on Thanksgiving, Christmas Day, New Year's Day, 4<sup>th</sup> of July, Memorial Day, and Labor Day. Office hours are Monday-Saturday, from 9:00 AM-5:00 PM and from 11:00 AM-3:00 PM on Sunday. The Broker may change operating hours from time to time, as dictated by the season and Associate availability. A Floor Person's hours coincide with office hours.

The last person to leave the office in the evening, whether the Floor Person at closing time or any other Associate that comes to the office after hours, is responsible for:

- Please be thorough in locking the office and securing the premises. The negligent Associate would be responsible for any loss from not properly securing the building.
- Turning off all lights and the designated office machines.

Floridian Realty Services, LLC does maintain the facility. However, Associates need to participate in keeping the office orderly. Do not leave items, used paper, or clutter in the general work area. Do not leave messes in the kitchen, conference rooms, and bathrooms. We desire to present a professional work environment to customers.

4.2. **Parking.** Please reserve the closest parking spaces to the building for customers. Please always leave ample spaces in the parking lot for customers by parking in the street when necessary. Do not block the entrance/exit or mailbox.

4.3. **Office Keys.** The Broker may issue an Associate a key to the office for after-hours use. Anyone losing a key will be assessed for the replacement of all office locks and keys.

## 5. DRESS CODE AND CONDUCT

- 5.1. ***Appropriate Dress.*** Staff and Associates, whether on Floor or not, are expected to dress in a professional, neat, and clean manner. Short shorts, jeans, tight outfits and extreme hairstyles are not acceptable attire. It is good practice to be dressed one step above your customer to present a professional appearance while still making the customer comfortable.
- 5.2. ***Sexual Harassment.*** Sexual harassment is no longer taken for granted nor tolerated in the marketplace. Whatever form it takes—verbal, non-verbal, or physical—sexual harassment is insulting and demeaning. Sexual harassment of any Associate or employee by any other Associate or employee will not be tolerated. All employees and Associates are expected to behave accordingly and take appropriate measures to ensure that such conduct does not occur. Appropriate disciplinary action will be taken against anyone who engages in sexual harassment. Floridian Realty Services, LLC will not tolerate any form of sexual harassment.
- 5.3. ***Code of Ethics.*** Floridian Realty Services, LLC and each Associate agree to strictly adhere to the Code of Ethics and Standards of Practice of the National Association of REALTORS.®
- 5.4. ***Alcoholic Beverages.*** Alcoholic beverages will be neither stored nor consumed on the premises. Violation shall result in immediate termination.
- 5.5. ***Courtesy and Consideration.***

Leave any attitudes and emotional upsets at home.

Keep your voices at reasonable levels in conversation or during phone calls.

Everyone should be helpful and courteous to callers and walk-ins. Often, you may be the sole measure by which Floridian Realty Services, LLC will be judged. There are times when you have to deal with numerous office distractions that you feel have nothing to do with you. Irritations can mount. But remember, the office counts on teamwork. You will also need help at some point and will have to count on the good will of your colleagues.

Offensive and abusive language to Associates and Staff, and clients and service people with whom we do business, will not be tolerated.

- 5.6. ***Non-Smoking Office Environment.*** Floridian Realty Services, LLC mandates a nonsmoking office environment. If you are a smoker, please use the outside and dispose of your cigarettes appropriately. Do not leave them on the office grounds.

## 6. MESSAGES AND MAIL

Associates are required to use a paging system or cell phone, at their own expense, for facilitating communication. Incoming calls are to be routed to the Associate. It is recommended that Associates use a cell phone or personal phone number to receive calls directly.

It is the Associates responsibility to keep in contact with the office if the Associate will be out of the office for any extended period.

The Broker generally sorts and opens correspondence addressed to Floridian Realty Services, LLC. Mail intended for Associates will be distributed to each Associate's inbox.

## 7. OFFICE FILES

- 7.1. **General.** All office records are the sole property of Floridian Realty Services, LLC and must be treated respectfully. Associates may not remove official files or the information therein from the office for any reason.
- 7.2. **File Use.** Never remove items of information from the official file for use at your desk. Remove the entire file and replace it when finished.
- 7.3. **Working Files.** An Associate may develop an informal working file on a particular property, but it is absolutely vital that the official file be current and complete, since the official file is used by other Associates and is subject to an audit at any time. Missing information could result in a disastrous outcome for all concerned. The listing or selling agent will be held responsible for an incomplete official file; so check your listing/contract folders periodically.
- 7.4. **Safe Guarding Files.** An Associate must return their complete working file to the office within 48 hours of a property's closing, expiration, etc. so it may be destroyed. Keeping customer information private is a priority for Floridian Realty Services, LLC. The company is responsible for record retention and for maintaining the confidentiality and security of office documents. All Associates must be committed to maintaining privacy in their course of business. Floridian Realty Services, LLC maintains shredding equipment at the office.
- 7.5. **Office Property.** Any property furnished for the purpose of obtaining and selling real estate are the sole property of Floridian Realty Services, LLC, and are to be returned upon termination. Office property includes signs, prospect cards, copies of all agreements, office records/files, this policy manual, and whatever personal property purchased by the office now in the possession of the Associate. Listing and Purchase Contract copies shall also remain with the office. Any failure to promptly return Company property shall be dealt with as breach of trust or larceny. Taking the original of any document is larceny. Photocopying materials and removing them from the office is evidence of bad faith. Either occasion will warrant prosecution by Floridian Realty Services, LLC.

## 8. OFFICE RESOURCES FOR ASSOCIATES

- 8.1. **Office Telephones.** The office phones are for pursuing listings and sales, and for business purposes. Using office phone lines for any non-business use is prohibited.
- 8.2. **Long Distance Calls.** Long distance service is provided for calls within the United States. Please consult the Broker before using the phones for International calls. Failure to follow phone/calling procedures will result in the Associate being billed for the charges.
- 8.3. **DSL Line.** Floridian Realty Services, LLC provides to their Associates a high speed commercial DSL line free of charge for Associates. DSL service is provided for real estate business use only, not personal or recreation uses.
- 8.4. **Reference Materials.** Associates may not remove or duplicate reference publications, files, or software from the Office, without Broker approval.
- 8.5. **Equipment.** The phones, fax machines, computer equipment, copying equipment, and other equipment in the office are for business use only.

Floridian Realty Services, LLC desires to have state of the art equipment for the office. Policies will be instituted for each new piece of equipment installed.

- 8.6. **Conference Room Equipment.** A computer and printing equipment is provided for Associate's use while entertaining a client in the office.

## 9. USE OF OFFICE COMPUTERS

Computers (Reception and Conference Room) are available for Associates' use while entertaining a client at the office. It is recommended Associates maintain a laptop or personal computer for research and for the preparation of documents for a listing or sale.

- 9.1. Anyone using the computers has to have a level of competence determined by the Broker. Computers are NOT for personal or recreational purposes.
- 9.2. The Floor Person has first rights to the Reception or Conference Room computer. All other Associates must give way if asked.
- 9.3. Associates should pre-arrange use of the Conference Room if they need it for a specific appointment to assure its availability.
- 9.4. No software may be installed on or removed from any of the computers without Broker authorization. Any operating problems should be reported to the Broker. Associates should not undertake any repairs.

- 9.5. If an Associate desires to use a personal computer, approval is necessary from the Broker. The Broker will need to configure your computer for the office's network, etc. Anti-Virus software must be installed/updated at the Associate's expense. The Associate will delete/destroy any company downloaded files/forms upon termination.
- 9.6. Floridian Realty Services, LLC files may not be downloaded to an Associate's personal computer without prior written approval of the Broker.
- 9.7. Anything placed on any office computer becomes the property of Floridian Realty Services, LLC

## **10. INTERNET POLICY**

- 10.1. The downloading or viewing of illegal, pornographic, hateful, or offensive material is not tolerated. Any violation is basis for immediate termination. In addition, Floridian Realty Services, LLC will notify the appropriate authorities.
- 10.2. No content may be posted on any web site, social network site, etc. without the written approval of the Broker prior to posting.
- 10.3. Intended new postings or changes to an existing web site must be in writing and approved by the Broker prior to posting on line.
- 10.4. Any internet, e-mail, or other types of advertising campaign must be approved in writing by the Broker prior to being submitted to the public.
- 10.5 A log of all incoming and outgoing e-mail messages, along with a log of all web sites visited on the company network, may be maintained by management. These logs constitute company records and will be preserved.

## **11. RECRUITING OTHER ASSOCIATES, NEW ASSOCIATES**

It is recommended that Associates keep alert for potential Associates who may fit into our organization. Suggestions for recruitment to the Broker by Associates are appreciated.

Please extend every consideration to any new Associate. Please recall how you were treated when you first became associated with the Company. Every effort was made to answer any question, to orient you, and to provide assistance to become successful in this business.

If you see that new Associate doing something they should not, please indicate it directly to the Associate, and to the Broker, as the situation warrants. It is a difficult experience to become associated with a new organization, and small acts of kindness and assistance go far in encouraging that a new Associate will be successful.

## 12. **BROKER, COLLEAGUE ASSISTANCE**

The Broker is available to assist any Associate with a problem or emergency that may arise. However, if an Associate plans a prolonged absence and has transactions that need daily attention, s/he should ask another colleague to handle these and, with the Broker's approval, offer fair compensation appropriate to the work done. The Associate's transactions are his/her own responsibility.

## 13. **COMPLAINTS/DISPUTES**

13.1 **Interoffice.** If an Associate has a complaint, directly approach the Broker so that it may be resolved. If complaints are bantered among Associates without the Broker's knowledge, the natural tendency will be for morale to suffer. Every reasonable alternative will be considered, and an amicable solution will be striven for, whatever the complaint and whenever possible. The final resolution/determination is in the Broker's sole discretion.

13.2 **Customers.** The only commodity that this Company has to sell is service. Our Company cannot operate profitably if its representatives are the object of complaints by customers.

The following procedure shall be adhered to regarding complaints: Upon receiving a complaint from a customer, the Broker will discuss the issue with the Associate involved and determine whether the complaint is justified or unjustified. If valid, the offending Associate may be placed on probation, insofar as the complaining customer is concerned, and will be expected to handle this person without further incident. The Broker does not anticipate having to go beyond this point.

If a second complaint is made by a customer, then the offending Associate shall lose the prospect who will be assigned another Associate. The only way to avoid becoming involved with this sort of problem is to provide the kind of service to every customer that you would like to receive from them. We are paid for service, nothing else.

## 14. **OPEN HOUSE**

An Associate may hold an "Open House" when he/she wishes and with the approval of the Owner of the property. A minimum time for "Open House" is 3 hours. Do not disappoint an owner by canceling at the last moment. No Associate should leave the property unattended during an Open House for any reason. Advance publicity is a must. It is good practice to personally invite nearby neighbors to an Open House. Refreshments are a nice gesture. Take advantage of the numerous written articles on how to hold a successful Open House. Keep in mind Open House safety procedures.

## 15. SIGNS AND INFORMATION BOXES

The Associate must be aware of all local and community sign ordinances and regulations controlling the placement of signs. Signs, Riders, and Information Boxes are at the expense of the Associate. Consult the Broker to obtain standardized company logos, designs, etc.

## 16. ADVERTISING

An Associate is required to pay for his/her own advertising. Advertising meetings will be scheduled by the Broker to discuss group advertising options. At such meetings, Associates may place ads in those publications selected by the group.

There are laws governing what can be said and how an ad is to be presented by an Associate. Minimum requirements include the brokerage name, associate's last name, fair housing regulations, etc. All ads should be reviewed by the Broker. The same is true of promotional materials.

All business correspondence (i.e. company letter head, email, fax cover sheet, etc.) should be kept at a professional level. The company letterhead, logo, name, etc. should never be used for personal matters.

## 17. FARMING

Listing a reasonable number of properties ensures success for an Associate. Specialization is also a useful tool. (commercial real estate, waterfront properties, golf course communities, etc.) An Associate should consider active strategies to success rather than simply waiting for "up" calls or walk-ins. You have to make Listings happen.

Mass mailings, done at an Associate's expense, are useful. **It is essential that Associates pay strict attention to a client's being on a do-not-call list if making cold calls.** Email or fax campaigns must meet SPAM regulations. Before farming materials are disbursed to the public in any manner, an Associate must have the materials reviewed by the Broker.

## 18. LISTING POLICIES AND PROCEDURES

- 18.1. ***Listing Basics.*** Floridian Realty Services, LLC generally acts as a Transaction Broker in its Listing Agreements. Only with Broker approval may an Associate enter into any other kind of agreement. All Listing Agreements are subject to approval and review by the Broker. A MLS detail sheet should be prepared and placed in the floor book. Any information on "*open*" or "*informal*" listings with a property owner should be shared in a timely way with other office Associates.

Listing Agreements should not be for a period of less than 6 months. Any exception will be on a case by case basis and must be approved by the Broker in advance of obtaining the Listing.

All Listings become the property of the Broker, Floridian Realty Services, LLC. Only the Broker may approve the cancellation and/or modification of a Listing.

18.2.A **Comparative Market Analysis, Cost Estimate Sheet** is essential to a good Listing Agreement. These preliminary documents give a Seller a good picture of current market values so that he may establish a reasonable selling range and also provide the homeowner with a realistic picture of what he/she might gain (or lose) in a sale.

Do not rely solely on a computer driven Comparative Market Analysis. Computer statistics do not reflect the true developments within a neighborhood. It is your job to keep on top of changing situations.

18.3 A **Listing Agreement File** will commonly contain the following:

- Comparative Market Analysis
- Transaction Profile Sheet
- 'Exclusive Right of Sale Listing Agreement' executed by the Seller and reviewed and accepted by the Broker. Include Associate signature that a copy has been provided the Owner.
- Brokerage Relationship Notice (if not included in the Listing Agreement). The disclosure must be made before, or at the time of, entering into a listing agreement or an agreement for representation or before the showing of property, whichever occurs first.
- Provide a set of Association Documents, Pertinent Restrictions and Regulations. Latest Association Financial Statements and any problematic issues (potential assessments, liens, legal suits, etc.) related to the Association should be highlighted and included.
- 'Seller's Property Disclosure' with Seller signature.
- MLS Profile Sheet and Current Print-Outs (Broker and Customer). Copies of any current modifications must be included.
- Insert a current copy of the MLS Full Print-Out in the Floor Book.
- County data: Plat Map, Property Appraisers Printout, Confirmation of Water and Sewer.
- Seller's Net Sheet
- Showing Instructions: Information on the Lock Box, Property Directions, etc.
- Two Keys for the Office. Property keys must be safeguarded at all times by either being kept in the lock box at the property or in the Broker's key lock box at the office.
- Advertisement Copy: At least 3 ads should be created for the property.
- Digital Photographs for the Website, Flyers, and Office use.
- Additional items which would be useful are: Inventory, Appraisals, Title Insurance Policy, Survey, Blueprints, Recent Tax and Power Bills, and Death Certificate, Divorce Decree, Power of Attorney depending on developing situations.

18.4. **Listing Accuracy.** It is important that the Listing documents, which you prepare, are accurate. If you have any doubt of an item's accuracy, check it out or ask the Broker's advice. You should bring to the Broker's attention anything unusual about the Listing: e.g., short sale, pre-foreclosure, power of attorney, trust documents,

change of ownership, ill or dying owner, probate, divorce, etc. to ensure appropriate documentation is on file in anticipation of a sale.

- 18.5. ***Extensions and Updates.*** Once a Listing is secured, an Associate has a responsibility to keep in regular contact with the owner of the property, reviewing the activity on the property, making owner aware of problems, adjusting the price if necessary, and handling all extensions and renewals on a timely basis and prior to expiration dates.
- 18.6. ***Listings, MLS.*** Unless there are overriding circumstances approved by the Broker, a Listing must be entered into the Multiple Listing Service immediately upon receipt. Any request from a seller to bypass the Multiple Listing Service must be in writing and approved by the Broker.
- 18.7. ***Listing Commission Fees.*** Floridian Realty Services' suggested commissions rates are: 6% for residential; 10% for vacant land; and 10% for commercial. The minimum commission rate is \$1,000 (e.g., for vacant land listed below \$10,000).

Remember, real estate commissions are not set by any governing authority. Each Broker is different. It is against Federal Anti-Trust Regulations, and strictly prohibited, to discuss commission amounts with other real estate professionals.

Floridian Realty Services, LLC realizes each listed property is different and the listing commission fee may need to be altered. Please speak with the Broker if considering an alternate commission fee for a Listing Agreement.

## 19. SHOWING PROCEDURES

- 19.1. ***Showing-In House Listings.*** The Listing Associate should always be given the option of scheduling an appointment when showing an in-house Listing.

If time will not permit, then enter the showing in the Log Book and schedule directly with the owner. Be sure you note any special instructions in the Listing the Associate may have made: e.g., pets, security alarms. Note if a keypad or key is required. It is a violation to use another Associate's keypad to enter a property. Remember to fill in a comment sheet on the showing.

***Showing-Another Office's Listing.*** Call and ask for the Listing Associate or the Secretary to set the appointment. You may have to arrange to pick up a key. Return a key promptly after a showing. Never keep a key overnight. In all cases, if you are running late to an appointment, make sure the owner is informed promptly. If you must cancel at the last minute, also relay that information as quickly as possible. If a prospect refuses to view the property once you are there and the owner is in the home, it is important for the showing Associate to talk to the owner and explain the situation, however uncomfortable it may be. It is courteous to give comments on the showing to the Listing Agent

- 19.2. **Showings Tips.** Remember the “first impressions” adage. Dress professionally and have a clean car, especially if you are transporting customers. As a general rule, you should preview a property prior to showing. Never enter a property without first ringing the doorbell and calling out as you enter. Take control of a showing. It is preferable to show a property without the owners participating. The ideal is to prepare a property for showing, i.e., open blinds, drapes, turn on soft lights, etc., if you can. When you are showing, keep in mind you cannot point out special features if your prospects are wandering about on their own. Also, you are responsible for any mishaps or problems that may occur so do not be shy about telling your buyers not to touch, not to step on a dock, etc. As you leave, check and double check to ensure doors are locked, lights are off, etc., and that you are leaving the property as you found it. A showing Associate may leave a business card.
- 19.3. **Protective Measures.** For your protection, always meet a new customer at the Office, even though you may be traveling in separate cars to the showing. Tell someone in the office where you are going. It is not good practice to send a customer on ahead to the property. Make a copy of the customer’s driver’s license and put it in the transaction file.

19.4. **Empty Houses.**

Floridian Realty Services, LLC does not assume any responsibility for the security of vacant houses.

If an agent lists property that is vacant, please ask the owner to issue a neighbor, friend, or relative the key to that property so that the air conditioning, heating, plumbing, and electrical systems may be periodically inspected. We can accept no liability for the premises.

Under no circumstance will an Associate bind the Company to any such agreement.

## 20. THE CONTRACT AND CLOSING A TRANSACTION

- 20.1. **Brokerage Relationship.** Floridian Realty Services, LLC generally acts as a Transaction Broker in its sales contracts. Consult with the Broker if you need to act in a different relationship.
- 20.2. **Contract Preparation.** When your buyer is ready to submit an offer, you should have the following documents on hand.
- Vacant Land or FAR/BAR Residential Sale and Purchase Contract, properly executed and dated, and acceptable to the Broker. Pertinent addenda, including but not limited to:
    - 3-Day Rescission (Condo Purchase)
    - Receipt of Condo Docs (Condo Purchase)

- Lead Based Paint Addendum (pre-1978)
  - Mold Addendum
  - Authorization for Inspections or Waiver of Inspections
- All Counter Offers
  - Seller's Property Disclosure
  - Estimate of Buyer's costs
  - Referral Form if applicable
  - MLS Print-Out
  - Copy of Deposit check/Escrow Agent Receipt of Deposit
  - Closing Checklist

Your job is to convey as many material facts about the property as you have to a prospective buyer, to enable him to make a reasonable offer. Refrain from giving any legal advice or personal opinions. Be sure a contract is completely understood. Use the Broker or other Associates with more experience if you have to. Invite the buyer to seek an attorney's help. Make sure all the required blanks are filled in a contract. Check and recheck your math and dates. Finally, ask the Broker to review the contract.

- 20.3. ***Presenting an Offer.*** Submit the purchase contract/offer promptly to the Listing Associate.

Common practice is that the Listing Associate, whether in house or another agency, presents the offer to the owner. However, if you are the selling Associate, you may request to present your own case to the owner.

- 20.4. ***Deposits, Return of Deposits.*** All deposits accompanying an offer should be turned over to the appropriate escrow agent immediately on receipt, with absolutely no delay. Floridian Realty Services, LLC does not usually act as the escrow agent. Please furnish a copy of the deposit check to the Broker. Also, obtain a receipt from the escrow agent so Broker may follow Chapter 475 regulations regarding confirmation of escrow receipt. Do not sign for the deposit until the check is actually received. Consider "due upon acceptance" or "due x days from effective date". Floridian Realty Services, LLC never accepts cash under any circumstances.

The Broker, not the participating Associate, determines what action to take on a request for the return of a deposit. A return of deposit/refund after a contract has

been executed can be done only after the buyer/seller have signed the Release and Cancellation form. Please remind the customer that no refund may be made until the check clears its host bank. In the event of an escrow dispute, implied or actual, the Broker is to be immediately notified.

- 20.5. **Contract Negotiations.** A contract is not an executed contract until the buyer/seller have agreed to all its terms and that agreement has been communicated to the principal parties. This process may require revisions and addenda and a number of exchanges and counteroffers. Verbal or telephone acceptances must be followed promptly by written acceptances using Fax, mail, or hand-delivery. The rule is: document, disclose, and communicate everything.
- 20.6. **Multi-Offers on a Property.** It is possible that a property will receive several offers at the same time. Any participating Associate in this situation should consult the Broker and ensure that no bidding or auction situation develops. No offer is to be held up waiting for a more lucrative offer.
- 20.7. **Walk-Through.** The selling Associate usually assists the Buyer with inspections and a final “walk-through” of the property prior to the closing. If the Buyer declines inspections and the walk-through, the Buyer needs to sign statements to that effect, for everyone’s protection. The Buyer should also sign off that inspections and walk through are satisfactory to them. **In no case should an Associate do inspections and the final walk-through on behalf of the buyer.**
- 20.8. **Closing.** The participating Associate needs to ensure that the closing agent provides all closing documents to the seller/buyer a minimum of 3 workdays before the closing and that all questions are resolved in advance of the closing date. It is this office’s policy that the participating Associate attends the closing. An Associate may show appreciation to his/her principal in one of a number of ways, from a handwritten note to flowers or dinner, depending on the circumstances. Once the property is closed, submit the entire file to the Broker. See also Chapter 7.
- 20.9. **Contract Disputes, Suits.** The Broker will take every opportunity to settle a contract dispute, complaint, or grievance or the Broker reserves the right to take legal action. The decision is that of the Broker in their sole discretion. If an Associate is part of the suit, the Associate is expected to pay the costs in the event of a loss or settlement. In the event of a win or settlement, attending expenses will be deducted from any commission recovered before any split is made to the Associate. In the case of a claim on the Errors and Omissions Policy, the deductible will be paid by the Associate(s) involved.

If an Associate becomes aware of a contract dispute or is sued, immediately notify the Broker. Each Associate shall bear the cost of her/his legal defense. In all cases the Company attorney shall have access to all facts.

## 21. FLOOR DUTY

- 21.1. **Who Qualifies.** Associates who are actively engaged in listing and selling properties are given Floor Duty or specified office hours to respond to fax, e-mail, phone, and walk-in inquiries on properties. If an Associate accepts Floor Time, that Associate also accepts all responsibilities of its proper use.

Floor Duty is voluntary. All interested Associates contribute to the floor schedule. If an Associate requests specific days/hours, it is his/her responsibility to work those hours or get another participating Associate to cover.

A new Associate will be given floor time only when the Associate is in good standing with the Board/MLS and is considered ready by the Broker. An Associate will continue to receive floor time only if he/she diligently continues to list and sell properties, attends office tours/meetings, and remains in good standing with the Board/MLS.

- 21.2. **Shifts, Schedules.** The Floor or "Up" person's shift will be 9:00-1:00 P.M. and 1:00-5:00 P.M. To the extent possible, no appointments should be scheduled during Floor Duty.
- 21.3. **Safeguarding Calls.** Any Associate intentionally taking away potential prospects from the intended Associate will be barred from Floor Duty at the minimum and may be dismissed from Floridian Realty Services, LLC.
- 21.4. **Assistant's Role in Floor Duty.** An assistant to an Associate takes all calls/walk-ins specifically intended for that Associate and/or all calls/walk-ins on that Associate's listings and advertisements.

If the Associate is assigned Floor Duty but is not available for that period for whatever reason, the unlicensed assistant may not step in as a replacement/back up for that shift of Floor Duty.

- 21.5. **Up and Back Up.** In the event an "Up" person is not available to handle prospects, then those calls or walk-ins - provided they are not intended for a specific Associate - will be given to other Associates in the office on a rotating basis or to a specific Associate, at the Broker's discretion. The "Back Up" person answers real estate calls if the "Up" person is busy with a prospect. The "Back Up" person will give the "Up" person a chance to take the second prospect call or walk-in. However, if the "Up" person chooses not to break away, then the "Back Up" person will handle that opportunity and any commissions generated go to the "Back Up" person.
- 21.6. **Handling Prospect Inquiries.** The Associate that is Up or Backup takes calls. It is important for the Associate on Floor Duty to handle unproductive calls quickly, to avoid missing a prospect call. The Up or Back Up Associate should:

- Be cheerful, helpful and professional when answering the phone. You can win or lose a prospect on the basis of how you sound.
- Be familiar with all advertisements, especially those paid by Associates. Inquiries on those ads go to the paying Associate.
- Have reference materials within easy reach.

21.7. ***Whose Prospect Is it?*** When on Floor Duty and a caller or walk-in asks for a specific Associate By Name or a specific Associate's Listing, that Associate should get the call or message promptly. Either provide the prospect with the Associate's cell phone number or take a message and relay it to the Associate. Make a genuine effort to contact the Associate or whoever is covering for the Associate in their absence. If the Associate is unavailable and time is of the essence, work with the prospect with the understanding that the prospect is not yours. The consideration here is keeping the prospect for the office and your colleague.

21.8. ***Referrals Among Associates.*** If you feel you should be compensated for your effort on behalf of another Associate, lay out your facts to the other Associate and the Broker at the earliest opportunity. Be reasonable in what you claim.

If your assistance to another colleague is substantial (e.g., several hours of showing, research and/or document preparation) and can be shown to have substantively aided in a listing or sale, then you may reasonably expect a minimum 20% referral from that Associate's share of the commission.

If it becomes necessary for you, with the Broker's concurrence, to prepare and complete a contract and follow through to a closing, then it is reasonable that you receive the full commission and give a minimum 20% referral to the original Associate, from your share of the commission. The Broker will make the final decision regarding the referral and/or commission, if you and the other Associate cannot come to an agreement.

21.9. ***Rental Prospects and Referrals.*** An up person receiving a telephone inquiry or walk-in interested in rental/property management must turn the contact over to the Broker or Associates approved by the Broker to conduct rental management. No referral is due. It is your prospect, however, if the caller or walk-in wants to temporarily rent and then buy, or is looking for a lease with option to purchase. Advise the Rental Associate of the circumstance and keep in contact with the prospect.

If an Associate has an established contact who wants to be added to the Rental Management Department as either a tenant or an owner, please review your customer's needs with the Broker or an Associate approved by the Broker to conduct rental management. The owner/tenant remains your customer if they have any needs to buy/sell in the future.

The purpose/benefit of Floridian Realty Services' Property Management

Department to Associates is to provide a Full Service Brokerage experience to your customers. Therefore we do not have to refer our customers out of the company and can satisfy all their real estate needs in house. Owners and tenants will become future sellers and buyers.

- 21.10. **Ready References.** All current ads (newspaper and real estate magazines) and a Floor Book with MLS printouts on each property in inventory, is available for your use. Your primary job is to convert a caller or walk-in to a prospect, not to give out information. Get information on the prospect (name, telephone number, address) and his/her requirements. Try to schedule an appointment.

## 22. COSTS

Associates pay for all business expenses, including, but not limited to, business cards, license fees, trade association memberships, sales promotional items, postage, paper products (including paper for computer and print/copy jobs), trade publications and any advertising for properties that the Associate wishes to promote. To preserve the same company image, business cards must have the same layout for all Associates. Content must be reviewed and agreed by the Broker.

Floridian Realty Services, LLC is not liable to an Associate for any expenses incurred by him/her or for any of the Associate's acts. Each Associate indemnifies Floridian Realty Services, LLC should the Associate create an expense or lawsuit resulting from negligence, fraud, misrepresentation, or any other violation of law or Code of Ethics.

## 23. PERSONAL TRANSACTIONS

If an Associate buys and sells properties for personal use or investment, the Associate's ordinary commission split will apply. Except, one (1) transaction per calendar is exempt from the Associate's commission split. The transaction fee is still paid to Floridian Realty Services, LLC. Please ask the Broker about any special provisions to follow regarding Errors & Omissions Insurance coverage on Personal Transactions.

An Associate has a special responsibility when buying or selling personal real estate. If that Associate is a professional, he/she is aware of market trends and other information not available to the general public. In order to maintain ethical conduct, it is necessary for the Associate to disclose their license status in the contract documents, the Broker should know of each personal transaction, and to have that transaction run through the Company.

## 24. COMMISSIONS

- 24.1. **General.** An Associate's compensation is a split of the sales commission received by Floridian Realty Services, LLC on the successful completion of any real estate transaction in which an Associate participates. Commissions will be paid to Associates directly from the Closing Agent by way of a Commission Disbursement Authorization Form signed by the Broker. The Broker will only sign a Commission Disbursement Authorization Form if the office file is complete per the transaction

checklist. If a commission is received ahead of the closing date, the Associate will receive the determined share when the property closes. An Associate may not accept fees, commissions, or compensation of any kind for real estate services or advice, without the compensation being paid to Floridian Realty Services, LLC.

- 24.2. **Commission Check Deductions.** Deductions include but are not limited to:
- Any outstanding balances owed to Floridian Realty Services, LLC. Also, any funds advanced by Floridian Realty Services, LLC incidental to a closing and not recovered at the time of closing.
  - Referral Fees

An Associate, not Floridian Realty Services, LLC, pays his/her own Federal Taxes, FICA (Social Security/Medicare), and any additional, required federal, state and/or county taxes. No taxes are withheld from commission checks.

- 24.3. **Commission Sharing.** If two Associates choose to share in a Listing or Sale, the responsibilities and commission split should be agreed in writing and submitted to the Broker in advance of the transaction. The total amount paid to them will not exceed that which one Associate would have received.

In the event that two (or more) Associates unintentionally deal with the same prospect and show a property that ultimately generates a sale, the commission will be granted on successful closing to the Associate who obtains an executed contract. The Broker may, however, determine that a share in that commission is due the other Associate(s) if shown that the other Associate(s) had substantial contact with the buyer.

- 24.4. **Referrals.** It is encouraged to grow relationships with real estate professionals from other real estate companies to obtain substantive leads and referrals. A Referral Agreement should be prepared and signed by the Brokers of each real estate company. If Floridian Realty Services, LLC owes a referral fee to another real estate company, the referral fee will be paid directly from the Closing Agent by way of a Commission Disbursement Authorization Form signed by the Broker. All incoming referral fees will be paid to Floridian Realty Services, LLC and then to the participating Associate.

- 24.5. **Commission After Termination.** It is acknowledged that occasionally an Associate's association with the Company will be terminated. At that time the Associate no longer represents the Company. A loyalty will hopefully remain.

If an Associate leaves or is terminated by Floridian Realty Services, LLC his/her unsold listings may be transferred to the Associate's new Broker. The Broker has the sole discretion in transferring or retaining each listing.

If an executed contract is in place on one of the departing Associate's Listings/Sales, that Associate will be entitled to the commission to which the Associate would otherwise have received. If, however, the Broker or another Associate had to follow up and complete the work to close, then the original Associate's earned share will be reduced at the Broker's sole discretion according to the additional work that had to be completed to bring the property to close.

- 24.6. **Costs after Closing.** Floridian Realty Services, LLC does everything possible to see that no costs are incurred after a transaction has closed. If a cost is incurred after closing, that Associate is responsible for 100% of the after-closing costs.

## 25. COMMISSION SCHEDULE

**General.** The "Split Schedule" formulas are defined below.

Any changes to an Associate's schedule should be submitted to the Broker in writing only twice per year, July 1 and December 31, respectively, and will impact on the individual's split schedule for closings occurring during the following 6 month period.

### 25.1. 80 Schedule

80% of gross commission received from transaction paid to Associate  
20% of gross commission received from transaction paid to Broker  
\$80.00 paid to Broker per transaction with a gross commission greater than \$1,000

### 25.2. 90 Schedule

90% of gross commission received from transaction paid to Associate  
10% of gross commission received from transaction paid to Broker  
\$90.00 paid to Broker per transaction with a gross commission greater than \$1,000  
\$90.00 paid to Broker per month

## 26. PROSPECT FOR PROPERTY MANAGEMENT DEPARTMENT

All prospects from the property management department fall under Broker decision. The Broker can decide to allocate the prospect to any of the associates based on their capability to handle the prospect.

## **CHECKLIST FOR NEW ASSOCIATES**

1. Submit application and copy of license for office files.
2. Schedule goal setting session with Broker.
3. Apply to Board of REALTORS®.
4. Apply for MLS membership.
5. Locate assigned inbox box.
6. Order business cards, name badge, and signs.
7. Sign up for computer training.
8. Review policy manual thoroughly.
9. Execute independent contractor contract.
10. Review all office listings.
11. Acquire roster of office staff and associates.
12. Purchase signs for car doors.
13. Purchase lockbox/Supra key.
14. Have insurance agent supply auto proof.
15. Practice with MLS computer searches.
16. Complete sample listing and purchase contract.
17. Review office files, copier operation, etc.
18. Review floor time procedures.
19. Learn telephone system and answering service.
20. Register for MLS® computer classes.
21. Review long distance, postage, and advertising policies.
22. Review all marketing tools available.
23. Study lender rate sheets.
24. Study all forms in contracts, forms, and clauses book.

Each associate must complete all items prior to accepting any floor time.

This manual is a basic guide and reference for experienced as well as new office Associates and staff. The Broker will resolve any matters not covered by this manual, in compliance with Florida Real Estate Commission (FREC) Rules and Regulations, as well as proven experience in real estate matters.

With your signature on your Independent Contractor Agreement, you acknowledge that you have received, understand, and agree to adhere fully to the guidelines herein. This acknowledgement will be a condition for joining Floridian Realty Services, LLC.

This policy manual is the property of the Company. Each Associate shall be issued one manual. It is to be returned to the Company immediately upon notice of termination or for updating when requested by the Broker.

The Broker will make amendments and revisions in writing from time to time. Copies of any changes will be furnished to each Associate and staff member, so that you may keep your manual current.

Revised October, 2011