

Cobb Association of REALTORS®
RULES FOR THE MULTI-MILLION DOLLAR CLUB

Requirements for Membership

1. ELIGIBILITY

- A. Any employee or independent contractor (officer or otherwise) or any real estate broker (individual or firm) that is both licensed under the Georgia Real Estate Commission and a REALTOR® member of the Cobb Association of REALTORS®, is eligible for membership. Both salaried and commissioned personnel are eligible.
- B. If the applicant is a member of more than one Board of REALTORS® and wishes to be a member of the CAR Multi-Million Dollar Club, he/she must make the application to CAR MultiMillion Dollar Club exclusive of any other Board of REALTORS® Million Dollar Club.

2. APPLICATION SUBMISSION

In order to qualify for 2016 sales of \$2,000,000 or more in new business, the individual must submit an application for membership to the local Association's Multi-Million Dollar Club Admission Committee on or before January 20, 2017.

All applications will now be done online on the Cobb Association of REALTORS® website. No paper applications will be accepted.

The online application process has 3 steps....

- 1) Applicant will complete the application form online, and submit their information and total sales volume to their broker (via the system) for approval.
- 2) Broker will receive a notification of the pending application and verify and approve the applicant's sales volume. (This replaces the old way of notarizing paperwork. No paperwork is turned into the Association anymore since the process is all done online.)
- 3) Applicant will then get a notification back saying their application and sales volume has been approved by broker, and they can move forward with payment, RSVP'ing for the awards luncheon, ordering any optional plates/awards, and submitting approved application and final order to the Cobb Association of REALTORS®.

** While CAR (Cobb Association of REALTORS®) is going paperless with their MMDC applications, they still reserve the right to ask for a printout of applicant's detailed sales should there be a concern with the stated volume.

APPLICATION FEE

With each application, there must also be an application fee which shall be determined each year by the Multi-Million Dollar Club Committee of the Cobb Association of REALTORS® and subject to approval by the Board of Directors and payable to the Cobb Association of REALTORS® to cover the applicant's lunch, and/or press releases, etc. Cost of the Phoenix Award, Crystal Phoenix Award, Platinum Phoenix Award, Diamond Phoenix Award and Gold Phoenix Award and any desired plates/plaques is optional for those that qualify. Payments will be made by either the applicant, or for some brokerages, by the broker.

CATEGORIES FOR RECOGNITION (This will be strictly enforced)

You must choose one (1) of the following for recognition purposes. (You MUST select the one that applies to you).

1. INDIVIDUAL (Resale/Leasing/New Homes)
2. TEAM (agent with one or more licensed assistants)

A Licensed Assistant means any licensed agent acting as a clerical assistant, listing assistant or selling assistant.

3. QUALIFYING YEAR

A "qualifying year" shall be defined as a full calendar year beginning January 1 and running through December 31.

4. MEMBERSHIP YEAR

A "membership year" shall be for the calendar year immediately following the qualifying year.

5. QUALIFICATIONS

To qualify, an individual must fulfill the following requirements:

- A. An applicant must have produced and closed business in the amount of, or in excess of \$2,000,000 (Two Million Dollars) during a qualifying year as a member in good standing of the Cobb Association of REALTORS®. At no time, shall any single applicant claim more than the purchase price. No inter-

office transferring of volume or commissions will be allowed for purposes of qualifying in the Cobb Association of REALTORS® Multi-Million Dollar Club. Any business produced and closed prior to applicant activating his/her license with a broker who is a member in good standing with the Cobb Association of REALTORS® will not be allowed for eligibility in the CAR Multi-Million Dollar Club, except as provided for in Paragraph B.

- B. Transferring applicants from other primary REALTOR® Boards must make application to join the Cobb Association of REALTORS® and must have left their past primary REALTOR® Board as a member in good standing and must have been a member of their past primary REALTOR® Board on January 1 of the qualifying year. If no Board of REALTORS® existed in their previous location, the transferring applicant will be treated as a new licensee, reactivated licensee, or transferee from a non-REALTOR® company. It is the responsibility of the transferee to furnish written documents of the above with their application.

- C. If any applicant does not apply for membership in the Cobb Association of REALTORS® within thirty (30) days of transferring his/her license to a company/office whose broker is a member in good standing in the Cobb Association of REALTORS® and by paying dues and being approved by the Board of Directors, he/she is eligible for membership, BUT may only use volume credits derived from transactions closed ON or AFTER the date of the membership application is received by the Cobb Association of REALTORS®, for qualifying purposes.

- D. Secondary members applying for the Cobb Association of REALTORS® Multi-Million Dollar Club must be a member of the Cobb Association of REALTORS® before the last quarter (ending September 30) of the qualifying year.

6. CREDITS

Credits shall be allowed to individuals for their personal production of sales, listing and leases as follows:

- A. For the Selling Agent(s): The credit shall be 100% of the amount of the closing purchase price. In the event there is no fixed stipulated purchase price (as in case of an exchange of properties) then the values used to determine the commission shall be the amount credited. The selling agent that procures the purchaser shall receive 100% of this classification of selling credits regardless of who or what company is the listing agent of the property. At no time, shall any single applicant claim more than the purchase price.

- B. For the Listing Agent(s): The credit shall be 100% of the selling price as determined in paragraph A above. The listing agent that procures the Seller with an exclusive right to sell, shall receive 100% of this classification of listing credit regardless of who or what company is the selling agent of the property. At no time, shall any single applicant claim more than the purchase price.
- C. For Open Listing: Same procedure as 6A and 6B above. An Open Listing exists when there is no other actively licensed Broker/Agent involved in the transaction.
- D. For Foreclosed Property: For any foreclosed property, commercial or residential, sold at auction, any agent receiving listing and/or selling commission may claim credit in accordance with CAR Multi-Million Dollar Club Rules, with proper explanation from the Broker accompanying application to Multi-Million Dollar Club. At no time, shall any single applicant claim more than the purchase price.
- E. For Leases: Full credit shall be given for the amount of the gross aggregated rental called for in the original term of the lease. Credit shall be allowed for renewals, expansions, and exercise of options for renewals. However, credit shall be allowed only upon actual renewals for the year in which such new term begins. If a lease contains an option to purchase at any time during the lease, the amount of the gross aggregate rental shall be the amount credited. If the option to purchase is exercised during term of the lease, then additional credit may be claimed in the year of closing if the purchase price is greater than the credit previously claimed. If an option to purchase is exercised after the specified term of the lease, then the amount of the purchase price may be claimed as full credit in the year of closing. If a lease allows either the landlord or tenant, or both, to terminate the lease prior to the stated expiration date, then the credit allowed shall be limited to the first date either (or both) parties have the right to terminate. If, however, the lease is not terminated, then the applicant may use the then remaining firm term of the lease for credit in the year the right to terminate is not exercised. If a lease contains more than one option to terminate, then each period shall be treated in a like manner. For a lease to qualify as "Commercial", it must be one of the following: (1) office/institutional, (2) industrial/warehouse, (3) any residential property exceeding four [4] units in any one [1] complex. For Cashed Out Leases: Full credit shall be given for the face value of the total rental to be paid over the firm term of the lease, but shall be subject to the same treatment for cancellations and renewals as mentioned above.

- F. For More Than One Participant and/or Syndication: If more than one individual within the same company participates as the selling agent, the listing agent or the leasing agent, the credit allowed shall be in the same proportions as the divisions of the sales or listing commission (or credits for commission) between the individuals; provided that the commission divided between the participating agents was divided by and paid to the participants directly by the participant's broker. In any transaction where the commission was paid by the Broker to more than one participant, regardless of how small the participation may have been, each participant may only claim for credit an amount in the same proportion as the proportion of the listing and/or sales commission paid by broker that was actually received by that individual. Where an individual sells shares of ownership in property through syndication, the credit allowed shall be in the same proportion as the percent of ownership which that salesman sells in the syndicated transaction. At no time, shall any single applicant claim more than the purchase price.
- G. For Installment Commission: Full credit will be allowed in the year of closing of a transaction where an installment commission exists.
- H. For Ownership Positions: Where a broker/agent has an ownership position in a sale, purchase or lease for credit toward qualifying for membership in the Multi-Million Dollar Club, he/she will receive credit as otherwise stated herein, provided that his/her broker or firm receives a commission for services rendered in the transaction. In those situations where a company or other legal entity in which the broker/agent owns a majority interest purchases a property, the broker/agent who claims credit involving that purchase will not be entitled to receive any additional credit on that property if that property is later sold during the same qualifying year.
- I. For Other Commission Arrangement: He/she will receive credit based on a rate established by that portion of the commission that he/she received as compared to what he/she would have received had he/she done the total listing or selling job.
- J. Total Credit Amounts: Total credit amount claimed by all applicants for purposes of qualifying for Multi-Million Dollar Club cannot exceed a combined amount of 100% of the total purchase price.
- K. Manager Commission: Any commission earned in the capacity of a manager cannot be credited, unless the manager gets part of what would be normally considered the agent's commission, and is thereby acting in a capacity similar to a cooperating agent. In such case, the credits shall be prorated as is the

commission. All credits shall go to the person acting in the capacity of an agent.

- L. No credit volume shall be given for referral or marketing fees. For purposes of these rules, a "referral or marketing fee" shall be defined as:
 - 1. A fee paid to an agent which was less than 20% of applicable selling or listing, commissions paid in the transaction. AND
 - 2. The person to whom the fee was paid did not ACTIVELY participate in the sale or listing.

Regardless of the amount of the fee received, if the person receiving the fee did not actively participate in the transaction, the fee paid shall be considered a referral fee and may not be used for volume credit. Notwithstanding anything contained herein, if applicant actively participates in a sale or listing transaction, regardless of the amount of the fee received by applicant, he/she may claim a volume credit in proportion to the percentage of the fee received.

7. PROPER USE OF DESIGNATION:

Members of the Multi-Million Dollar Club shall be authorized to use the Multi-Million Dollar Club designation or seal adopted by the Board of Directors of the Cobb Association of REALTORS®. The official designation shall be "Cobb Association of REALTORS® Multi-Million Dollar Club" and said designation, when printed or written, must also be followed by the qualifying year or years each time said designation is used, such as business cards, stationary, etc.

Life Members or Active Life Members shall insert the word "Life Member" or "Active Life Member", whichever is appropriate, after the designation in lieu of the qualifying year or years.

8. EFFECTIVE DATES:

The effective date for credits for sales, listings, and leases shall be as follows:

- A. For sales and listings, the date on which title is passed shall be the date of credit.
- B. For leases, the date of occupancy shall be the date of credit, unless rental began at the date subsequent to occupancy, and in the event on which rental began shall be the date of credit.

- C. No credit shall be allowed for transactions in which a fee is collected and such fee is not contingent upon the closing of the transaction. No credit shall be allowed for appraisals, evaluations and consultations of any kind regardless of purposes.

9. CLASSES OF MEMBERSHIP:

There shall be one (1) class of membership containing thirteen (13) categories. All membership shall be in only one primary Board at given time with the expectation of Life Membership.

A. Residential Class

1. Active Member is one who has been elected for the year immediately following his/her qualifying year.
2. Life Members shall be one who has been elected to membership to the Multi-Million Dollar Club for any three (3) years in a five (5) year period.
3. Active Life Member is one who has been elected to Life Membership and is also a qualifying active member of the Multi-Million Dollar Club.
4. Phoenix Award shall be presented to those members of the Multi-Million Dollar Club who have qualified for ten (10) years. The award is to be paid for by the recipient.
5. Active Phoenix member is one who has been elected to Phoenix Membership and is also a qualifying active member of the Multi-Million Dollar Club.
6. Crystal Phoenix Award shall be presented to those members of the Multi-Million Dollar Club who have qualified for fifteen (15) years. The award is to be paid for by the recipient.
7. Active Crystal Phoenix member is one who has been elected to Crystal Phoenix Membership and is also a qualifying active member of the Multi-Million Dollar Club.
8. Platinum Phoenix Award shall be presented to those members of the Multi-Million Dollar Club who have qualified for twenty (20) years. The award is to be paid for by the recipient.

9. Active Platinum Phoenix member is one who has been elected to Platinum Phoenix Membership and is also a qualifying active member of the Multi-Million Dollar Club.
10. Diamond Phoenix Award shall be presented to those members of the Multi-Million Dollar Club who have qualified for twenty five (25) years. The award is to be paid for by the recipient.
11. Active Diamond Phoenix member is one who has been elected to Diamond Phoenix and is also a qualifying active member of the Multi-Million Dollar Club.
12. Gold Phoenix Award shall be presented to those members of the Cobb Association of REALTORS® Multi-Million Dollar Club who have qualified for thirty (30) years. The award is to be paid for by the recipient.
13. Solid Gold Club member is one who has been elected to Gold Phoenix membership and is also a qualifying active member of the Multi-Million Dollar Club and shall be a lifetime recipient.

10. TRANFERING AWARDS:

All Multi-Million Dollar Club Awards received by an applicant who is transferring primary REALTOR® Board membership from any of the other primary REALTOR® Boards may be counted toward obtaining membership in all classes of membership in the Cobb Association of REALTORS® Multi-Million Dollar Club. Applicant must furnish written proof from the Executive Officer of his/her previous primary REALTOR® Board, stating his/her membership status as of January 1, of the qualifying year and a list of Top Achiever/Million Dollar Club Awards and years obtained in the previous primary REALTOR® Board. This must accompany his/her application to the Cobb Association of REALTORS® Multi-Million Dollar Club.

11. ADMISSION COMMITTEE:

The President of the Cobb Association of REALTORS® shall each year appoint a Multi-Million Dollar Club Admissions Committee, according to Policy and Procedure Manual. It shall be the duty of this Committee to consider all applications (after the application receipt deadline) and submit a report giving

their recommendation with regard to each applicant to the Board of Directors no later than the next Board of Directors meeting immediately following 15 calendar days of Committee study.

12. MEMBERSHIP TERMINATION:

As is the case of all organizations sponsored by Cobb Association of REALTORS®, Active Membership in the Multi-Million Dollar Club shall be contingent upon membership in good standing in the Cobb Association of REALTORS®. If for any reason a member of the Multi-Million Dollar Club ceases to be a member of the Cobb Association of REALTORS®, his/her Active Membership in the Multi-Million Dollar Club is automatically terminated. Life Membership shall not be thus terminated, unless they cease to be REALTORS®. Even then, once reinstated as REALTORS®, they may resume status as Life Members. Where a broker agent submits a fraudulent application, including but not limited to failure to disclose his/her ownership position, failure to disclose participation with other agents, inaccurate volumes or any other falsifications; he/she will be automatically disqualified and then reported to the Ethics and Professional Standards Committee for action.

13. APPROVAL AND DISSOLUTION:

The Multi-Million Dollar Club of the Cobb Association of REALTORS® has been established and is sponsored by the Cobb Association of REALTORS®, and all actions of the Club shall be subject to the approval of the Board of Directors of the Cobb Association of REALTORS®. The Board of Directors of the Cobb Association of REALTORS® 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.

14. INCEPTION:

The amended rules and regulations of the Multi-Million Dollar Club shall apply to business produced in the qualifying year of 1983 and thereafter until modified by the Multi-Million Dollar Club Committees of the participating Boards, and approved by the Cobb Association of REALTORS® Board of Directors.

AMENDED 12/07/2016