



## 2011 MDC RULES

### I. Definitions

1. "Qualifying Year" and Membership Year shall be defined as a full calendar year beginning January 1 through December 31, 2011.
2. "Effective Date of Membership" shall be:
  - A. The date the application for REALTOR® membership is received in the Board office provided all Board membership requirements have been fulfilled within the allotted time frame. This includes, but is not limited to:
    - a. attending orientation, if required, within a period of six (6) months from the date the application for REALTOR® membership is received by the Board office and
    - b. approval by the Board of Directors.
  - B. January 1 of the Qualifying Year for all renewing members, or if dues are not received until after March 31st of the Qualifying Year, then Effective Date of Membership will be the date the dues are paid in full.
3. A "Team" shall be defined as those members that are actively advertising themselves to the public as a Team, producing combined marketing materials that provide the public with the perception they are working as a Team and/or combining business operations.
  - A. To the extent they would not otherwise qualify as a Team, agents working together to market new homes communities or subdivisions shall not be classified as a Team.
4. An "Individual" shall be defined as a member that is actively advertising himself/herself to the public as a sole agent, producing individual marketing materials that provide the public with the perception they are working alone, and are not combining their business operations with any other agent.

### II. Membership Requirements

1. Any employee or independent contractor who is both licensed under the Georgia Real Estate Commission and a REALTOR® member in good standing of the Pickens County Board of REALTORS® and has not applied, nor is a member of another Board of REALTORS® Million Dollar Club, for the current year is eligible for membership. Only applicants receiving commissions are eligible for membership.
2. To qualify, an individual must fulfill the following requirements:
  - A. Produce new business in the amount of or in excess of \$1,000,000 during the qualifying year.
    - a. Only transactions closed after the effective date of membership in a Board of REALTORS® will count as Million Dollar Club volume.
  - B. Must be a member of the Pickens County Board of REALTORS® during the qualifying year.
  - C. Million Dollar Club Application must be approved by the Board of Directors of the Pickens County Board of REALTORS®.

# PICKENS COUNTY BOARD OF REALTORS®

## 2011 MDC RULES

- D. Dues payments for applicant and applicant's Designated REALTOR® must be paid in full and a signed dues certification letter must be on file at the Board office in order for the application to be considered.
- E. As in the case of all organizations sponsored by the Pickens County Board of REALTORS®, membership in the Million Dollar Club shall be contingent upon membership in good standing in the Pickens County Board of REALTORS®. If, for any reason, a member of the MDC ceases to be a member of the Pickens County Board of REALTORS®, his/her membership in the Million Dollar Club is automatically terminated. A LIFE member who ceases to be a member of the Pickens County Board of REALTORS® shall have no vote or voice in the Million Dollar Club.

### III. Application Requirements

1. Application must be submitted on official form provided by the Board. Photocopy of blank forms are acceptable, and computer forms will be accepted if they are **exact** duplicates of the Board form.
2. The REALTOR®/Applicant must swear and the Designated REALTOR® of his firm must certify to the truth of all statements on the application including the description of the division of the commission. Letter(s) of Certification must be signed by the Designated REALTOR® of the firm with whom the REALTOR®/Applicant is/was affiliated at the time the reported transaction occurred. The Designated REALTOR® may authorize another REALTOR® in his firm to sign the certification provided this authorization is in writing and on file in the Board office prior to filing this application.
3. With each application, there must be a check for the application fee made payable to the Pickens County Board of REALTORS®. The application fee shall be determined annually by the Awards Committee and be approved by the Board of Directors.
4. Application must be in the Board office, located at 5784 Lake Forrest Dr., Atlanta, GA 30328, no later than 5:00 PM, **Friday, January 13, 2011**. Postmark dates are not accepted. Any application received after said time and date may be automatically rejected regardless of reason. If application is sent by mail, please send it by registered mail, return receipt requested. Applications can be faxed to 404-732-0664.
5. With each application there must be a signed detailed statement of the applicant's business for the qualifying year, including:
  - A. A description of the property involved.
  - B. A detailed description of the division of the commission among other sales people or brokers.
  - C. Such other pertinent information as the Awards Committee may request.

This assignment of authorization in no way relieves the Designated REALTOR® from responsibility of certification of this application. If applicant's transactions are reflected by different companies, the applicant's current Designated REALTOR® and previous Designated REALTOR® must each sign a letter of certification.

6. Applicants that have been operating as a Team for a minimum of 6 months must submit an application to the Million Dollar Club as follows (those members operating as Team less than 6 months must apply as an Individual):
  - A. Submit one single application with the total volume produced by the Team and list each of the members that will be receiving recognition. (*Volume will still be calculated using the methods described in the Qualifications Section.*)
    - a. If an application fee is charged for the Million Dollar Club:

# PICKENS COUNTY BOARD OF REALTORS®

## 2011 MDC RULES

- i. The application fee will be applied to each of the members listed on the application submitted.
    - ii. A plaque will be produced for each Team member submitted on the application.
  - b. If no application is charged for the Million Dollar Club:
    - i. One team plaque will be produced for each Team Application. (Duplicate Team plaques may be purchased at a price determined by the Board of Directors on an annual basis.)
  - c. All plaques and promotion recognizing the production of the Team will list all Team members. At no time will the members of the Team be listed individually in any manner of recognition with the total Team production.
7. Applicants that have operated as an Individual during any part of the year must submit an application to the Million Dollar Club in one of the following methods:
  - A. To submit an application including the total production while operating as an Individual combined with the total portion of the Team volume while operating as a Team.
    - a. To exclude the volume production as an Individual and submit one single application with the total volume produced by the Team, and list each of the members that will be receiving recognition.

#### **IV. Computation for Volume Credit:**

1. 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.

2. For Leases: The amount of the gross aggregate rental called for in the original term of the lease shall be credited. 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 applies.
  - A. If a lease contains an option to purchase at any time during the lease, the amount of the gross aggregate rental as prescribed above, shall be the amount credited. If the option to purchase is exercised during the 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. Such additional credit shall be limited to the difference, if any, in the purchase price and 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.
  - B. 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 such period shall be treated in a like manner.

# PICKENS COUNTY BOARD OF REALTORS®

## 2011 MDC RULES

- C. 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. These leases shall not be discounted, but shall be subject to the same treatment for cancellations and renewals as mentioned above.

The effective date for volume credit for leases shall be the date of occupancy or the beginning date of the rental period, whichever comes first.

3. Co-Op Sales: If more than one brokerage company participates in any one sale or lease and is paid a commission, the volume credit allowed for qualification will be divided evenly among the participating companies. For example:
  - A. If one firm represents the seller and one firm represents the buyer, then each company shall claim 50% of the transaction price as volume credit.
  - B. If the listing company has two agents participating or the buyer's agency has two agents participating, they will divide their 50% of the transaction price evenly. Both will receive 25% volume credit.
4. 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.
5. Full Credit will be allowed in the year of closing of a transaction where an installment commission exists.
6. When a Broker/Agent Takes an Ownership Position in a sale for credit toward qualifying for membership in the Million Dollar Club, he shall be penalized to the extent of the ownership interest taken. Where a broker/agent has an ownership position in a sale or lease for credit toward qualifying for membership in the Million Dollar Club, he shall be penalized to the extent of the ownership position in the sale or lease.
7. Where a broker/agent submits a fraudulent application, including, but not limited to, failure to disclose his ownership position, he will be automatically disqualified and then reported to the Grievance Committee for action.
8. Broker Commission: Any commission earned in the capacity of a broker cannot be credited unless the broker gets part of what would normally be considered the agent's commission, and is hereby acting in a capacity similar to a cooperating agent. In such cases, the credits shall be prorated as is the commission. All credits go to the person acting in the capacity of an agent.
9. 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.

### V. Transaction Definitions

1. Applicants volume will be categorized by the following property definitions
  - A. Residential
    - a. Any improved property zoned residential up to and including, but not exceeding four (4) units per transaction.
    - b. A single transaction involving no more than five (5) unimproved subdivided building lots, which are zoned residential.
    - c. Non-subdivided land, which has as its existing or best use, residential.
  - B. Commercial - Any transaction that is not residential.

# PICKENS COUNTY BOARD OF REALTORS®

## 2011 MDC RULES

The combined total volume will be shown on the individual's MDC certificate, in multiples of one million dollars. The transaction is recognized in the category of the zoning at the time of closing.

### **VI. Membership Categories**

1. Member - One who has been elected to the Pickens County Board of REALTORS® Million Dollar Club for the year immediately following his qualifying year.
2. Life Member - One who has been elected to membership in a Board of REALTORS® Million Dollar Club for three consecutive years or 5 total years.

For purposes of denoting membership in the Million Dollar Club on individual business cards and any other printed matter, it will be acceptable to use the term "Life Member", where applicable. All other members must precede the word "Member" with the year of their membership in the Million Dollar Club. (i.e. 2010 MEMBER).

Applicants may transfer Million Dollar Club credit years awarded in another Board of REALTORS® to apply toward award recognition with the Pickens County Board of REALTORS® Million Dollar Club. Applicant must submit verification of years transferring from other board signed by the Executive Officer. Applicants must meet all requirements as set forth in these rules and must be accepted into current Million Dollar Club in order to be awarded the level of recognition for which the applicant has applied.

### **VII. Awards**

1. Top Producer - Special recognition shall be afforded to the Top Producers of the Residential Category, the Commercial Category and the Team Category. Only the Awards Committee and the Executive Vice President of the Pickens County Board of REALTORS® shall know the identity of the Top Producers prior to the announcement at the banquet.

In order to be recognized as the Top Producer in the Residential category, no more than 25% of the Total volume credit may be defined as Commercial.

2. Phoenix Award - The Board has established the Phoenix Award to be presented to members of the Million Dollar Club who have qualified for any ten (10) years in a Board of REALTORS® Million Dollar Club. The cost of the award is to be paid by the member. Current year Phoenix Award winners will receive special recognition.
3. Certificates – Each qualifying applicant shall receive a certificate stating that he/she is a member of the Million Dollar Club for that membership year and shall further state that this membership is in recognition of personal negotiations of sales and leases during that qualifying year stating the level achieved in multiples of one million dollars.

### **VIII. Awards Committee**

1. The Million Dollar Club of the Pickens County Board of REALTORS® has been established and is sponsored by the Pickens County Board of REALTORS®. All actions of the Club shall be subject to approval of the Board of Directors of the Pickens County Board of REALTORS®. The Board of Directors of the Pickens County Board 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.
2. The President of the Board, on or before December 31 of each year, shall appoint an Awards Committee. It shall be the duty of this Committee to consider all applications and submit a report to the Board of Directors of the Pickens County Board of REALTORS® before the February Board 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 the "membership year".

# PICKENS COUNTY BOARD OF REALTORS®

## 2011 MDC RULES

3. The Awards Committee shall have the right to review with any applicant and/or designated REALTOR® the documents relating to a transaction which are deemed relevant by the Committee including, but not limited to company pay vouchers, cancelled checks and closing statements. Any applicant and/or designated REALTOR® shall promptly cooperate with the Committee regarding said documents when requested.
  4. The Awards Committee shall be authorized to set an application fee, at its discretion, prior to requesting applications for membership in the Million Dollar Club. This fee covers costs of promotion and honoring Club members, and plaques or certificates to be given those who become eligible for membership in the Million Dollar Club. In the event an applicant does not qualify for membership, for whatever reason(s), the application fee will be returned.
- IX. These amended rules and regulations of the Million Dollar Club shall apply to business produced in 2010 and thereafter until modified by the Board of Directors of the Pickens County Board 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 Pickens County Board of REALTORS®.