

Taylor Properties/Anne Arundel Properties
"Policy Manual"

| Commission Pricing Plans | | | | |
|--------------------------|-------------|---|---|--|
| Commission Plans | Monthly Fee | E & O Insurance (Total for the Year) See page 3 | Broker Fee to Agent (Rental/Referral-Each Side VA, DC) | Admin Fee to Client (Sale/Each Side VA, DC) |
| 100% Plan A | \$295.00 | \$170.00 | \$89.00 | \$139.00 |
| 100% Plan B | \$49.00 | \$170.00x2=\$340 | \$89.00 | \$395.00 |
| 85% Plan A | \$25.00 | \$170.00 | \$89.00 | \$139.00 |
| 85% Plan B | ----- | \$170.00x2=\$340 | \$89.00 | \$295.00 |

Administration Fees

- You may charge each client a reasonable admin. fee up to \$395.00 total for administrative time and expenses. Any amount collected from the client, higher than the above listed admin. fee (\$139 or \$295) will be paid to you (the agent) as additional income. If you are on the 85% commission split, we will keep 15% of this additional income.
- You may choose to pay the admin. fee for your client from your commission.
- You may not charge an admin. fee to landlords or tenants. However, we do charge the agent a Broker fee of \$89 on any rental or referral income. You may charge the tenant a reasonable application fee up to \$89.
- The required admin. fee form must be signed by your buyers/sellers with the Buyer Agency Agreement or with the Listing Agreement.

Commission Plan Monthly Payments

- All monthly payments are due in the office no later than the 1st of each month.
- A \$25 late fee will be added to your bill after the 5th.
- For your convenience, an automatic payment plan is available. Your credit card is kept on file and charged on the 1st of each month.
- There will be a \$35 returned check fee on all returned checks.
- Monthly dues & E/O will not be paid from commission income unless approved by the Broker.

Office Policies

- If we are holding escrow, the **contract must be uploaded to our inter-office** system and escrow money is required to be received in the main office within 48 hours of the acceptance date.
- If a title company or attorney is holding escrow on a sales contract, you are required to provide the in-house form; **Escrow Agreement Between Buyer, Seller, and Title Company**. For builders, sellers, or third parties other than an attorney or title company holding the earnest money, we require a letter confirming the amount of escrow funds received and the date the funds were deposited.
- Listings and contracts where we are not holding escrow are required to be **uploaded** to our inter-office system within 1 week of acceptance.
- We do not accept contracts and listings via fax. You must **upload** to our inter-office system.
- **FAILURE TO COMPLY WITH THE ABOVE TIMELINE POLICIES WILL SUBJECT YOU TO A \$50 fine.**
- Releases and/or extensions must be received by the office within 1 week.
- Agents must verify that all required paperwork is submitted using the specified checklist provided.
- Once the paperwork is **uploaded**, we will check over all listings and contracts. You will receive an email if we are missing documents. The missing documents must be received by the office within 1 week.
- Check Mailing Policy-escrow refunds: If your clients do not receive a mailed check from us, they will have to wait 30 days for us to reissue a new check, or they have the option to pay a \$35 "Stop Payment Bank Charge" to

have a new check reissued immediately or they may wait until after the 30-day period and we will pay the stop payment fee.

- AAP/TP doesn't make showing appointments. It is your responsibility to arrange the showings. Use ShowTime (Mris) or you can use CSS for showings (866) 891-7469. Agents are required to keep their voicemail accessible for potential clients, agents and/or showings. If the office becomes involved, you will be charged accordingly.
- If you go on vacation, it is mandatory that you let the office know and make sure your completed files are at the main office and are correct and updated. It is your responsibility to find another AAP/TP agent to cover your transactions, calls, etc. while you are away. If the office becomes involved, you will be charged accordingly.

Errors and Omissions Insurance

Fees for E & O Insurance are influenced by the insurance market and may change yearly

| PLAN | Yearly Charge | PAY BY | |
|--|--------------------------------|---|---------------------------------------|
| A * | 170.00 | February 1st (March - February) | |
| B | 340.00 (170 every 6 months) | February 1 st (March - Aug.) | August 1 st (Sept. - Feb.) |
| * Agents pay a discounted yearly fee subsidized by broker for plan A | | | |

This E&O insurance coverage fee by Broker to Agent is not just to reimburse the Broker for this one 3rd party policy, it includes much more paid by the Broker than the basic Agent coverage under the Broker's E&O Policy.

- The \$5,000.00 Deductible for the Agent and/or the Broker is paid in most cases by the Broker instead of the agent in the event that a claim arises.
- The Broker maintains and pays for general liability and other necessary insurance policies and pays the deductible when applicable.
- Most Lawsuits, regulatory complaints, and other Association/MLS violations concerning Agents are filed against the Broker only, or in addition to the Agent. In most cases, the Broker absorbs this costs for attorneys, settlements, judgements, or penalties without recourse to the agent.

Payment of Commissions

When you settle with Heritage Title, your commission check will be provided to you at the settlement table. A "completed package" is required before settlement, for same day payment. If you settle with a different title company, commission will be mailed four business days from the date we receive a "completed package" by 3 p.m.

*****A completed package consists of the following and must be Uploaded:**

- A complete listing agreement and/or sales contract; or rental listing and/or lease agreement.
- A **LEGIBLE** CD (Closing Disclosure) with all appropriate signatures in place.
- If you cannot provide a CD from both buyer/seller then, Alta Settlement Statement combined must be submitted.
- A completed and signed "**Commission Breakdown**" form.

Please note we have no control over the delivery time frame if mailed through the United States Postal Service.

Check Mailing Policy

Commission Checks can be mailed to your requested address. If the check is lost in the mail, you are responsible for the "Stop Payment" bank fee of \$35 to reissue the check. The fee will be deducted from your commission.

We can FedEx your commission check overnight to you at your expense. The fee will also be deducted at the time of commission processing.

Heritage Financial

Anne Arundel/Taylor Properties participate in an Affiliated Business Arrangement with Heritage Financial **(800-351-5755)**

- Heritage Financial offers your clients a "Best Rate Guarantee". If they cannot beat another lender's rate/points, they will give your client \$500.00 and they can still use the other lender.
- Heritage Financial must receive a "Good Faith Estimate" from the other lender, dated the same day as their rate quote to compare and the clients must close with Heritage Title.
- The **required** Affiliated Business Arrangement forms need to be signed by all buyers and submitted with the contract. Forms are provided.

We can help you and your clients more when you use our "in-house" Mortgage and Title companies.

Heritage Title

Anne Arundel Properties/Taylor Properties participate in an Affiliated Business Arrangement with Heritage Title.

- If you settle with Heritage Title, all title orders are only **\$695!**
- Heritage Title has a \$100 best fee guarantee.
- Forward your completed "Title Order" forms and contracts to Heritage Title for processing.
- All title orders will be processed through Heritage Title at: **410-571-6396 or info@heritagetitlemd.com**
- You may settle at any location at any time without any additional travel fees.

The required Affiliated Business Arrangement forms need to be signed by all buyers and submitted with the contract. Forms are provided.

Business Cards

Standard company business cards (500 printed front and back) advertising Heritage Financial and Heritage Title, on the back, will be paid up front by the agent and after the agent's first settlement with Heritage Financial or Heritage Title, we will reimburse you. Agents continuing to use Heritage Financial and/or Heritage Title will receive free business card re-orders.

Keep in mind all orders not approved by our Office Manager, Delia Abrams, that deviate from our standard format will be changed and re-ordered at the agent's expense!

Signs

Agents who list properties for sale will need various signs to service those listings. Most signage is ordered in quantity, continuously stocked here and available at cost.

All name riders must have our broker number (800-913-4326) on them. With a total of 3 lines there are 2 additional lines available, to put a cell number and/or email address.

- We use Dee Signs for riders and they are roughly \$100.00 for 5 riders. (prices are subject to change).
- Agents may use any sign company of their choice, for signs and/or riders; however, you must get approval by the office before they are printed.

Advertisements

All advertisements (flyers, postcards, websites, business cards, magazines, newspapers, etc.) must be approved by our Office Manager before they are printed. Everything must include the broker number (800-913-4326) and the company name.

Phone Numbers

- All agents (including Branch Managers) must have the "Broker" phone number on **ALL** business cards and advertising.

- **“Office Phone”** wording **cannot** be used by any agents except branches where it’s use is optional. If used at branches it must be the true physical phone number that connects directly to the Manager’s desk at the office.

Addresses

- **Business Cards**

Branches-must use branch office address. All others must use Annapolis Broker’s address.

- **All other advertising**

No Address is required. However, if an address is used it must be the branch address if applicable or the Annapolis address on all others.

Addenda and Forms

We would like to emphasize the importance of using the resources available to our agents. We use SkySlope for document management. Our company website is available at any time to get checklists, commission breakdown sheets, in-house forms and logos.

Heritage Title & Heritage Financial

866-913-4095

800-351-5755

- **Heritage Title: \$695 flat rate!**
 - * Guarantee that Heritage Title fees will be lower than any competitor!
- **Heritage Financial: \$500 Best Rate Guarantee for your buyers!**

Your support of our two Affiliated Businesses provides the income that allows us to keep your fees low while increasing the services that we provide for you.

*\$695 does not include title insurance and 3rd party fees. No other discounts or coupons may be applied to these prices.