

POLICIES AND PROCEDURES MANUAL

Welcome Letter from The Founder



Dear Licensee,

Thank you for joining Savvy Estates ATL, LLC (“Broker.”)

As an Independent Contract, you are required to comply with the Georgia Real Estate Commission (Commission.) The Policies and Procedures outlined in this agreement are designed to help you perform your functions more effectively within our organization.

For the purpose of this manual, Agent, Salesperson, Broker Associate, Sales Associate, Associates, Sales Agent, Independent Contractor, Licensee and Salesperson are all referred to as “Associate.”

Sincerely,

Terin Branhan

Savvy Estates ATL, LLC
2275 Marietta Blvd Nw Ste 270
Atlanta, GA 30318
Mobile: (678) 427-2662
terin@savvyestatesatl.com

Name of Associate: _____ (“Associate”)

1. Independent Contractor Status & Supervision

Subject to the terms and provisions of the Independent Contract Agreement (“Agreement”) and this Policies and Procedures Manual, Associate will act paid in accordance with the terms set forth below.

It is the policy of the Broker that all Associates affiliated with the Broker shall be “Independent Contractors” not employees, for tax purposes. Whenever any activity of the Broker or a Licensee shall operate to classify the Licensee as an “employee” by the Internal Revenue Service, the Associate’s affiliation with the Broker will be terminated.

As an Independent Contractor, the Associate may establish his/her own hours and methods of work without control or direction by the Broker. The Broker will provide him/her with such assistance as he/she may request. All Associates are home-based Associates. The Broker will not withhold income taxes from a Associate’s earnings, nor will it withhold or match FICA (Social Security) taxes on his/her behalf. It will be the Associate’s responsibility to fulfill his/her own obligations in this regard. The Broker will file required governmental reports of an associate’s earnings.

2. Competence & Education

If a Associate encounters a client with a need in a specialized field of real estate such as land acquisition or commercial/investment property, he/she should enlist the assistance of others in the Brokerage with more training and expertise than himself/herself. Worthwhile educational programs are offered by the local Board of REALTORS, The National Association of REALTORS® institutes, societies and councils, and by private organizations. While the Broker cannot subsidize a Associate’s costs of attending such programs, he/she is urged to allocate a portion of his/her earnings for continuing education to improve his/her professional competence.

3. Compensation and Commission Checks

The Associate will be compensated by the Broker on a commission basis exclusively, receiving percentage of the funds received by the Broker on the successful completion of any real estate transaction in which a Associate participates as an Associate or sub-Associate, according to the Broker’s commission schedule in effect at the time of the closing. In the event some portion of a commission due the Broker is deferred to some future date, a Associate’s share of the commission, as well as any accrued interest, less charges for collection of such amount, will be paid to him when collected or incurred unless some other agreement is made between the Broker and the Associate.

All commission requisitions shall be accompanied with HUD-1/ALTA/Settlement Statement and signed requisition by Associate. Otherwise, checks will be delayed until they are received. Broker DOES NOT offer Commission advances.

4. Commission Sharing

There will come a time that salespeople, for one reason or another, will have to share a commission. This could occur when a salesperson has a conflicting or heavy schedule, doesn't feel they can work with a specific personality, or goes on vacation. Commission sharing is effective only if an agreement is arranged prior to any negotiation of a particular transaction. This will assure that there will be no misunderstanding at a later date. This agreement should be put in writing as soon as possible.

5. Payment After Termination

If an Associate's affiliation with the Broker terminates, his/her **unsold** listings are theirs to transfer to their new broker. In a transaction where there is an **accepted/binding contract**, the listing and/or terminated Associate will be entitled to the commission and agreed upon transaction fee with Broker to which he otherwise would have been entitled.

6. Associate Attraction & Knowledge of Inventory

It is important that the Associate be familiar with all properties listed with the Broker, particularly those being shown to customers.

7. Transaction Coordinator & Real Estate Assistants

A Transaction Coordinator can be provided to improve the flow of each transaction and free the Associate to list and sell more transactions. ****See Broker for Cost****

GREC has developed guidelines for hiring Unlicensed Assistants. If an Associate of the Broker wishes to employ an Unlicensed Assistant, then both the Associate and Unlicensed Assistant must be aware of what duties the Unlicensed Assistant may perform. Furthermore, we require that all Unlicensed Assistants be registered with Broker. ****Use GAR Contract - CO07 Agreement for Licensee Use of a Real Estate Assistant****

8. Agency Brokerage Relationships & Client Fidelity

Associate's primary obligation is to the client. The Associate must familiarize themselves with BRRETA (The Atlanta "Brokerage Relationship in Real Estate Transaction Act.") See Additional Resources.

Dual-Agency

Do not agree with Dual Agency and/or check on the GAR Contract that you represent the Buyer and also represent the Seller as a client. Associates can only represent one side as the client, the other side is a customer.

9. MLS Rules and Regulations

The Multiple Listing Service (MLS) has established rules and regulations for the orderly and equitable operation of the Services. The Associates must familiarize himself/herself with the deadlines for submitting listings, change orders and the other requirements of the Service to avoid rule infractions.

10. Errors and Omissions Insurance

Included in Transaction Fee and associates are responsible for any deductible should an assurance arise.

11. Earnest Money

Broker **DOES NOT** hold Earnest Money. YOU ARE NOT ALLOWED TO PERSONALLY HOLD IT. Closing attorney or co-oping broker can hold it.

12. Anniversary Date, Good Standing & Licensure

The Anniversary date for Associate will be the first day of the calendar month following Associate's Join Date with the Broker. Associate's Join Date shall be the date on which all new Associate paperwork and start-up fees have been received by the Broker and the Broker releases Associate's New Agent Checklist.

To be considered an Associate in good standing ("Good Standing"), an Associate must be current in all financial obligations, including all Fees, to the Broker. In addition, all required licenses, local, state and national dues and subscriptions which are required to conduct real estate business in their state must be current and in effect.

Each Associate shall maintain active licensure to sell real estate in this State at his/her own expense. He/she also will pay his/her own applicable membership and participation fees in the Local Board of REALTORS® and its Multiple Listing Service. A licensed broker who joins the Broker, or a salesperson who successfully passes their broker's examination, shall become an "Associate Broker" to the Broker.

13. Auto Insurance

Each Associate must provide upon request of the Broker, evidence that he/she has secured and continues to maintain an appropriate automobile insurance policy to protect him/her and the Broker from liability. Minimum coverage of public liability must be \$100,000. Minimum property damage must be \$10,000.

14. Expense Responsibility

Associate must bear all expenses necessary in the conduct of his/her business endeavors including the cost of MLS fees, Board of REALTOR® fees, printing/copying fees, marketing expenses, postage, continuing education courses, business cards, if applicable, used by him/her, and the Broker cannot pay or reimburse any funds for any such purposes.

15. Address Changes

All address changes must be submitted immediately. Associates must notify the State Real Estate Commission in writing by a form

16. Commission Rates

Broker market commission percentage rate is no less than six percent (6%) of the sales price for listings, and three percent (3%) of the sales price for buyers. In the event Associate agrees to lower commission rate without first obtaining Broker approval, Broker shall have the right, in its sole discretion, to deduct from Associate's Commission the amount that Broker would have received but for the unauthorized reduction.

17. Confidentiality

Associate acknowledges and agrees (a) that the terms and conditions of this Commission Schedule are confidential, proprietary and/or trade secret in nature (hereafter, "Confidential Information"), and (b) to maintain this Confidential Information in strict confidence and to not discuss with, share, or reveal the Confidential Information to any other person (other than solely to professionals for the purpose of legal, accounting or tax advice or services).

18. Compliance Submission Policy

Fully executed contracts are to be submitted to the office within 48 hours of the binding agreement date. Violation of this time frame will result in a \$50.00 administrative fee deducted from the Associate's commission check.

Any Purchase and Sales Agreement turned into the office after closing with the HUD-1/ALTA/Settlement Statement that is more than 15 days after binding agreement, will be charged an administrative fee of \$150.00 and will be deducted from the Associate's commission check. All contracts must be in the files before closing. Original HUD-1/ALTA/Settlement Statement shall be submitted to the office immediately after closing.

19. Document Retention Policy

All office records, files and correspondence are confidential and in some cases, irreplaceable. No files

shall be removed from the office without Broker approval. Copies of sales contracts, brokerage engagements, closing statements, leases, e-mails and other documents related to a real estate transaction are required by law to be maintained in a broker's file for three years and shall be made available to authorized Associates of the Commission upon reasonable request and at a reasonable cost to the Commission. Brokers that must keep copies of the documents cited in this paragraph include:

- (a) any broker identified in a sales contract, brokerage engagement, closing statement, lease, or other document related to a real estate transaction;
- (b) any brokerage firm that participates in the negotiations involving a sales contract, brokerage engagement, lease, or other contractual document related to a real estate transaction; and
- (c) any broker required by O.C.G.A. Section 43-40-20 to maintain a trust account.

Copies of documents and other records which Associates are required by law and the Commission's rules to maintain may be maintained in any records storage system that utilizes paper, film, electronic, or other media provided that:

- (a) the licensee can produce true and correct copies of such documents and records and
- (b) copies of such documents and records can be made available to an authorized representative of the Commission upon reasonable request and at reasonable cost to the Commission.

20. Do Not Call List

Any an independent contractor affiliated with the Broker, acknowledges and agrees as follows:

- a. The National Do Not Call List administered by the United States Federal Trade Commission and the equivalent list administered by the State of Georgia may be applicable to telephone solicitations and other telephone marketing calls made by the undersigned.
- b. The undersigned will comply with the requirements of the National Do Not Call List and the equivalent list administered by the State of Georgia and with all rules and regulations related thereto; and
- c. The undersigned agrees to indemnify and save harmless Norman and Associates, their officers, directors, employees, heirs, successors and assigns from and against any and all liability for fines, penalties, attorney fees and related costs and expenses arising of or in connection with any violation, by the undersigned or any person, firm or legal entity acting on the undersigned's behalf, of the National Do Not Call List or the equivalent list administered by the State of Georgia, including all rules and regulations related thereto.

21. Fair Housing & Discrimination

No Associate of the Broker shall represent, explicitly or implicitly, for the purpose inducing or discouraging the purchase, sale, or rental of any real property or the listing for purchase, sale, or rental of any real property:

- a. that a change has occurred or will or may occur in the composition of any block, neighborhood or area based upon race, color, religion, sex, handicap, familial status, or national origin;
- b. that the presence of persons of any particular race, color, religion, sex, handicap, familial status, or national origin in an area will or may result in the following:
 - i. a lowering of property values in the neighborhood;
 - ii. a material change in the composition of the area based upon race, color, religion, sex, handicap, familial status, or national origin;
 - iii. an increase in criminal or antisocial behavior in the area; or
 - iv. a decline in the quality of the schools serving the area.

Discrimination Prohibited. No licensee or employee or agent of any licensee shall:

- a. Refuse to sell, purchase, rent or lease, or otherwise deny to or withhold any housing accommodation from a person because of such person's race, color, religion, sex, handicap, familial status, or national origin; or
- b. Discriminate against a person because of such person's race, color, religion, sex, handicap, familial status, or national origin in the terms of the sale, purchase, rental or lease of any housing accommodations, or in the furnishing of facilities or services in connection therewith; or
- c. Refuse to receive or transmit a bona fide offer to sell, purchase, rent or lease any housing accommodation, from or to a person because of such person's race, color, religion, sex, handicap, familial status, or national origin; or
- d. Refuse to negotiate for the sale, purchase, rental or lease of any housing accommodation to a person because of such person's race, color, religion, sex, handicap, familial status, or national origin; or
- e. Represent to a person that any housing accommodation is not available for inspection, sale, purchase, rental, or lease when in fact it is so available, or to refuse to permit a person to inspect any housing accommodations, because of such person's race, color, religion, sex, handicap, familial status, or national origin. See also O.C.G.A. §§ [43-40-2](#), [43-40-15](#), & [43-40-25](#).

22. Action Against The Broker and a Associate

In any action brought jointly against the Broker and an Associate the expenses of defending against such action shall be borne by each proportionate of the division of the commission applicable to the Associate's participation in the transaction involved in such action. If no property transaction is involved, and thus no commission split is indicated, all costs shall be shared by the Broker and the Associate equally. The Broker reserves the right to settle independently in its own behalf without further obligation to the Associate, and it recognizes the Associate's equal right to do the same without further obligation to the Broker. If a professional standards or grievance charge is brought jointly against the Broker and a Associate, all costs and awards levied by the Board of Realtors, will be shared by the Broker and the Associate in the same manner unless otherwise indicated by the Board. In the event there is no property transaction involved and thus no commission split is indicated, all costs, fines, and awards will be shared equally unless otherwise indicated by the Board. If a professional standards or grievance charge involving the Broker and a Associate is brought after termination of his/her affiliation with the Broker, the expenses of responding to the charge, as well as cost, fines, and awards will be shared by the Broker and the Associate in the same manner.

23. Suits for Commissions

The Broker will have the sole discretion in determining whether to sue for a commission. Any such action will be maintained in the name of the Broker. If a Associate participates in such a suit, he/she will be expected to pay a share of its costs proportionate to his/her share or the commission being sought. If he/she either chooses to not participate in such costs, or fail to pay his/her agreed-upon share of the costs, he/she shall forfeit any entitlement or claim to a share of a commission subsequently obtained by the Broker from such a suit.

24. Listing Acceptability, Terms, Changes and Cancellations

All listings taken by a Associates are taken in the name of and subject to the approval of the Broker. No listing can be accepted for other than the Broker's regular commission rat of 6% unless approved by the Broker in advance. All listings must be accurate and complete in every detail. The Broker cannot accept listings of such short duration that advertising and marketing is not feasible, except for short-term listings taken primarily to protect a Associate in the showing of a property. Listings must be for a term of not less than 180 days except for listing taken primarily to protect a Associate in showing a property. You must offer co-op agents at least 3%. Brokers are to be advised of the seller phone contact when listing taken and kept current should said number change during the listing period. Changes in the original terms and conditions of listings and cancellations can be made only with Broker approval and on appropriate MLS forms.

25. Property Management

Property Management is permitted under the close supervision of TXO Investment Group and/or Terin Branhan. Acting as a property manager on behalf of the Broker, Associates are required to create and maintain an owner ledger for each property management agreement in effect with the owner. This ledger contains information about all money received and spent related to the property. More specifically, owner ledgers contain:

- Each occupant of the property and the amount each occupant paid/received
- The property manager's name
- Description of the managed property
- The amount and purpose of funds received/paid, and who provided the funds
- A check number, cash receipt numbers, or unique series of letters/numbers to establish an audit trail
- Date the funds were deposited/disbursed
- Check number or bank-generated electronic tracking number
- Who received the disbursed/paid funds

Owner ledgers should be used to create at minimum, a monthly report showing all receipts and disbursements to the owner. A copy or electronic version of these reports should be made available on the property manager's records system.

A tenant ledger should be maintained for every leased property. Tenant ledgers contain all of the same information as owner ledgers.

26. Terminations

- No listing commission shall be paid to any Associate if a sales contract is not written during his/her tenure with the Broker.
- Surrender of prospects – Any terminated Associate shall turn into his/her manager names and all available date on any and all prospects he/she has received as a result of the efforts of the Broker, including Broker advertising, signs, and referrals.
- Return of property – Any Associate terminating shall turn into his/her manager his/her property of the Broker or items issued by the Broker for related agencies. Specifically included are all Broker signs, keys and forms and all Multiple Listing forms. In the event the terminated Associate shall fail or refuse to turn in all property of the Broker or related agencies, the original cost to the Broker of such property may be charged to the Associate or the Broker may utilize any legal means available to it for recovery of said property.
- Repayment of funds – Any funds owed to the Broker by a terminating Associate shall be due in full immediately upon termination not withstanding any other terms or conditions previously agreed to between the Associate and the Broker.
- Termination interview – Each Associate terminating shall be interviewed before final termination by his/her manager. Written summaries of these interviews shall be placed in the personnel file of the terminated Associate for the confidential reference of the Broker.
- Notification to the Department of Registration and Education - In the event an Associate is terminated as a result of alleged violation of any law or regulation of the State of Georgia, we shall file with the Georgia Department of Registration and Education in a full and accurate report of the reason for termination, furnishing said Associate a true and accurate copy of such statement.
- Notification to the Board of REALTORS® – In the event as Associate is terminated as a result of alleged violation of any rule or regulation of the Board of REALTORS® or the Multiple Listing Service, or any of its other related organizations, the Broker shall file with the Board of REALTORS® a full and accurate report of the reason for termination and will furnish said Associate with a true and accurate copy of such statement.

27. Referrals

No referral shall be given or accepted until all Associates involved have in their possession written documentation that the prospect who is being “referred” acknowledges and agrees to the referral, what the referral is for (brokerage or relocation services), and whether or not each licensee will receive a valuable consideration for the referral (SEE GA CODE 43-40-25(a)(35)).

Associates must also advise in writing any out-of-state agent of the GA Code requirements prior to accepting and working with a referral. GEORGIA AGENTS - DO NOT ALLOW ANOTHER AGENT TO NOT

INCLUDE YOU ON A CONTRACT BY PROMISING TO PAY YOU A REFERRAL FEE, UNLESS YOU HAVE IN YOUR POSSESSION THE REQUIRED DOCUMENTATION. This includes commission splits with agents within the same company. The agreement is to be made an exhibit to the contract.

28. Dead Deals

No transaction is considered dead until the file is reviewed by management and declared dead. The processing department will get help at the very first sign of trouble or difficulty. The experience of your management will keep most of your deals together..

29. Minimum Production Quotas

The only purpose of this Broker is to earn a fair profit. The function of every associate who affiliates with the Broker is to provide a fair share of that profit through personal effort in marketing real estate by providing Broker services to consumers in the Broker market area.

30. Amendment and Annual Review of Manual

The contents of this manual will be reviewed annually with the employees and sales staff of the Broker. Recommendations for its amendment are welcomed by the Broker. Whenever any changes are made, all affected parties will be furnished with copies of such changes so they may keep their manual current with Broker policies.

31. Additional Resources

Ongoing Broker Communication	<i>Ongoing Communication with Brokerage</i> Sales Meetings (not required at this time) Sunday Newsletters
Qualifying/Managing Broker	Terin Branhan terin@savvyestatesatl.com (678)-427-2662
“How To” Get Paid	<Insert Link>
Training Material & Tutorials	<Insert Link> <ul style="list-style-type: none"> - Loom - There are many documents explaining our system on... - There are many training videos available... You must take it upon yourself to take the time to watch those videos to learn how our systems & procedures work!!

Georgia Law - Department 520. GEORGIA
REAL ESTATE COMMISSION

Website: <https://rules.sos.ga.gov/GAC/520>

32. Addendum: Checklists

New Agent Checklist

Checklists for use with new buyer clients:

- Buyer Brokerage Agreement
- Qualify the Buyer: Figure out how much they can afford
- Search for homes

Checklists for use with seller clients include:

- Before the listing
- After the listing

Checklists for Closing - Transaction Documents Must Be Submitted in PDF Format

Agent must provide all documents before a commission is paid.

Selling Agent (Agent representing the Buyer)

- Buyer Brokerage Agreement (if not already submitted)
- Purchase and Sale Agreement - signed by all parties with all exhibits and addendums
- Instructions to Closing Attorney
- Amendment to Change Closing Date (if applicable)
- Seller Property Disclosure Statement (if applicable)
- Amendment to Address Concerns (if applicable)
- Termite Report (if applicable)
- Copy of Earnest Money (if applicable)
- Lead Paint Exhibit if built before 1978
- FMLS Forms #117 <https://www.fmls.com/117> & FMLS 118 <https://www.fmls.com/118>
- Pay at closing form - has to approved and submitted 3 days prior to closing
- Ensure CD has been issued at least 3 days before closing
- HUD Settlement Statement (HUD-1)

Listing Agent (Agent representing the seller)

- Exclusive Right to Sell Agreement
- Purchase and Sale Agreement - signed by all parties with all exhibits and addendums
- Instructions to Closing Attorney
- Amendment to Change Closing Date (if applicable)
- Seller Property Disclosure Statement (if applicable)
- Amendment to Address Concerns (if applicable)
- Termite Report (if applicable)
- Copy of Earnest Money (if applicable)
- Lead Paint Exhibit if built before 1978
- FMLS Forms #117 <https://www.fmls.com/117> & FMLS 118 <https://www.fmls.com/118>
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