

2020-21 CIRCLE OF EXCELLENCE RULES

CINCINNATI AREA BOARD OF REALTORS®

(Approved October 2020)

ARTICLE 1 - PURPOSE

Purpose of the Circle of Excellence is to recognize outstanding residential sales performance of Realtor® members in good standing with the CINCINNATI AREA BOARD OF REALTORS®. Realtor® members are eligible for either the Circle of Excellence or Commercial Top Producers Club but not both (there are different qualification criteria for each). All applicants (regardless of Individual or Team Award) must be Realtor® members of CABR and meet the criteria set forth.

ARTICLE 2 - RECOGNITION PERIOD

The recognition period shall be October 1, 2020 through September 30, 2021.

ARTICLE 3 - PRESENTATION OF AWARDS

Those qualifying for the Circle of Excellence each year will be recognized and presented an award at the Board's Annual Awards function following the recognition period. Recognition of recipients/teams will be by the company with which the recipient/team was affiliated at the close of the recognition period.

ARTICLE 4 - ELIGIBILITY REQUIREMENTS

Section 1: QUALIFICATION

**1.1 Real estate sales and leases shall be considered eligible for the Circle of Excellence. The words "sales" and "leases" are hereafter used interchangeably. In order to qualify, at least 80% of an applicant's award-submitted commission volume must be from residential-generated transactions and at least 80% of the submitted transactions (property) must be located in either Ohio, Kentucky or Indiana for inclusion in the Circle of Excellence. For the purpose of this section, residential means single-family homes, condominiums, farms with houses, multi-family dwellings (up to 12-family) and residential building lots. An applicant may qualify by either of the following methods:

Method A. Dollar Qualification: Each applicant's company must have been paid a minimum of \$110,000 in gross commissions as a result of the applicant's participation in selling, listing, referral fees, tips and/or leasing real estate during the recognition period. **Any relocation/referral fee paid out to a network or other referring company/broker must be deducted in computing the commission (this does not include franchise service fees).** Relocation/referral fees retained by the company may be claimed by the agent as part of gross commissions. Only those dollar amounts listed as compensation on the closing statement can be counted as commissions. Processing and handling fees, as well as other fees for services rendered are not commissions and cannot be counted. Additionally, when two or more agents from the same company are involved in the same transaction, the total commission claimed by each agent must be in relative proportion to the agent's commission split and may not exceed 100% of the commission paid to the company;

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Method B. Team Qualification: Each team's company must have been paid a minimum of (see chart below for qualification amounts) in gross commissions as a result of any of the team members (only those listed on the application and meet membership requirement) participation in selling, listing, referral fees, tips and/or leasing real estate during the recognition period. **Any relocation/referral fee paid out to a network or other referring company/broker must be deducted in computing the commission (this does not include franchise service fees).** Relocation/referral fees retained by the company may be claimed by the agent/team as part of gross commissions. Only those dollar amounts listed as compensation on the closing statement can be counted as commissions. Processing and handling fees, as well as other fees for services rendered are not commissions and cannot be counted. Additionally, when two or more agents/teams from the same company are involved in the same transaction, the total commission claimed by each agent must be in relative proportion to the agent's commission split and may not exceed 100% of the commission paid to the company.

- A team exists when two or more REALTORS® and/or licensees within a brokerage meet two or more of the following criteria:
 - They have a business affiliation with one another to list and sell real estate;
 - When 30% or more of their transactions are shared;
 - They hold themselves out to the public as a team in marketing or social media.
- If criteria for a team is met, applicants must apply as a team.

Method C. Unit Qualification (individuals only): Each applicant must have earned 18 units with a minimum of \$75,000 in gross company commissions. Units shall consist of as follows: Listing sold and selling = 1 unit; listing sold only = 1/2 unit; selling only = 1/2 unit; leasing = 1/2 unit; 2 or more listing agents = proportionate amount of 1/2 unit; 2 or more selling agents = proportionate amount of 1/2 unit; referral or tip fee = proportionate amount of 1/2 unit. **Any referral fee paid out to a broker/agent must be deducted in computing the commission (this does not include franchise service fees).**

Additionally, when two or more agents from the same company are involved in the same transaction, the total commission claimed by each agent must be in relative proportion to the agent's commission split and may not exceed 100% of the commission paid to the company. There will be only one level in qualifying by units.

1.3 An applicant does not need to fill in units unless qualifying by the units method.

2020-2021 CABR Circle of Excellence Levels

Individual	Small Team (2-3) 2-3 REALTORS	Medium Team 4-6 REALTORS	Large Team 7+ REALTORS	
\$ 110,000	\$ 165,000	\$ 385,000	\$ 600,000	Bronze
\$ 220,000	\$ 330,000	\$ 770,000	\$ 1,200,000	Silver
\$ 440,000	\$ 660,000	\$ 1,540,000	\$ 2,400,000	Gold
\$ 660,000	\$ 990,000	\$ 2,310,000	\$ 3,600,000	Crystal
\$ 1,210,000	\$ 1,815,000	\$ 4,235,000	\$ 6,600,000	Diamond

Section 2: Salaries, bonuses and compensations, other than commissions earned as outlined herein, may not be used to qualify.

Section 3: All commissions must have been paid the applicant's/applicants' company during the recognition period. When the commission paid to the company and the closing are not simultaneous, the date on which the latter of the two events occurs shall determine the recognition period when said transaction is to be applied. Commissions that are paid on an installment basis (such as leases, land contracts, etc.) or commissions being deferred for use as collateral pledge, may be used to qualify only during the recognition period the commission(s) is paid to the company.

Section 4: Any reference to the 'applicant's/applicants' company' throughout these Rules means the company the applicant was affiliated with at the time of the subject property transaction. An applicant (regardless of individual or team award) who joins the CINCINNATI AREA BOARD OF REALTORS®, after the recognition period has started, is eligible provided the commissions claimed were earned during membership with any Realtor Board nationwide (subject to Article 4 Section 1), but with a minimum 3-month membership in the CINCINNATI AREA BOARD OF REALTORS®.

Section 5: An applicant who has been found guilty of violating the Circle of Excellence Rules during the recognition period, regardless of the date of the occurrence, may be deemed ineligible for that period (see Article 9). Any applicant who has been found guilty of violating the real estate licensing laws of the Ohio Revised Code during the recognition period, regardless of the date of the occurrence, is ineligible for that period.

Section 6: If during the course of the awards period a team member decides to leave a team, the agent may apply for the Individual Circle of Excellence Awards Club claiming only those sales achieved after leaving the team through the end of the award period.

ARTICLE 5 - ENTRY REQUIREMENTS

Section 1: To apply for recognition an applicant shall submit the following and it must be received at the Board office by October 15, 2021 for the recognition period just completed on the September 30th immediately prior thereto:

1.1 The application form must be completed in all details and signed by the applicant;

1.2 Applicant's designated Realtor®/office manager must have signed the application form certifying its validity;

1.3 Email a headshot/team photo to aclark@cabr.org or submit via the online application submission form;

1.4 Attach to the application form the entrance fee amount (which is to be established by the Circle of Excellence Committee and which will appear on the entry form) to defray the cost of the Club. NO REFUND WILL BE MADE if applicant is ineligible because of misrepresentation;

1.5 Attach a sample business card showing the Circle of Excellence format as per Article 8 that the applicant intends to use on business cards (only needed if promoting Circle of Excellence on their business card).

1.6 For late entry, up to 5 business days (Monday-Friday) after the deadline, time is of the essence, the applicant shall submit a Circle of Excellence form along with a check for the entry fee plus a late entry fee (cost determined by auditor) per each applicant. In addition, the applicant will automatically be audited. Contact Andy Clark (513-842-3019) for late fee cost.

ARTICLE 6 - VERIFICATION

Section 1: All entries will be reviewed by the Circle of Excellence Committee for completeness and compliance with contest rules. Improperly submitted entries will be returned and must be resubmitted in proper order, within 7 days of notification, or applicant is automatically disqualified.

Section 2: Prior to October 27th, the Committee will identify the highest dollar producer, as well as a number of applicants at random, for audit. If a violation of these rules is discovered during the audit process, that person will automatically be audited the next year the member applies for Circle of Excellence membership. Those selected for audit shall submit, within 14 days of notification the following substantiating information:

2.1 Circle of Excellence Application

2.2 Closing statement with address or legal description verifying closings (*signatures not mandatory*).

2.3 Purchase Contracts.

2.4 Listing Contracts (if claiming listing commission).

2.5 Company's transaction reports, sales records used by company, including internal brokerage commission allocation documents signed and approved by office manager or other documents verifying all pertinent information or cancelled commission checks or copies of same.

2.6 Lease Contracts: Copy of the third party check must be submitted in support of the broker's commission amount on the transaction report; copy of the commission invoice sent to the lessor; if the transaction report does not show evidence of an agent's participation then the agent should submit relevant correspondence between the agent and the lessor.

2.7 Referral fees must be documented.

2.8 Improperly submitted audit materials will be returned and must be resubmitted in proper order, per auditor's instruction (see Article 6 Sec. 2.1-2.7), within 7 days of notification. If the information is not received by the auditor within 7 days, there will be a \$500 fine levied against the applicant. If beyond 14 days, the applicant is automatically disqualified. Do not send original files as they will not be returned to you. Send only requested information or you may be disqualified.

Section 3: If the purchase contracts, listing contracts, or lease agreements are not witnessed or signed by a salesperson claiming participation, or if any of the above are not available, additional supporting evidence or affidavits must be furnished to the satisfaction of the Committee.

ARTICLE 7 - BROKER RESPONSIBILITY

The designated Realtor®, on behalf of the licensees within the designated Realtor®'s company, shall submit each year a Designated Realtor® Application for the Circle of Excellence. The designated Realtor®/office manager (hereinafter referred to as "management") shall sign the initial entry form certifying the validity of the entry and that the company's commission is correctly stated; that management has read the rules, understands them and will abide by them; that management shall be held accountable for the company's activities. **IN THE EVENT THAT A SALESPERSON AND/OR MANAGEMENT MAKES A FALSE CLAIM, OR GIVES FALSE INFORMATION, THE APPLICANT(S) AND/OR MANAGEMENT AND INDIVIDUALS OF THE COMPANY MAY BE BARRED FROM PARTICIPATION IN THE CLUB FOR THE YEAR THE FALSE INFORMATION WAS PROVIDED AND/OR SUBSEQUENT YEARS.**

ARTICLE 8 - PROMOTION

The spirit of this article is to permit certain types of INDIVIDUAL/TEAM promotion, not company promotion.

Section 1: No company or office, associated with the Circle of Excellence of the CINCINNATI AREA BOARD OF REALTORS® will be permitted to use this contest or its results in any advertising or promotion of the company or individuals/teams connected with the company, including news releases. Further, it is the agent/team/company's responsibility to take affirmative action to notify news reporters of this Circle of Excellence Rule.

Section 2: A Circle of Excellence recipient/team may announce their personal participation in the Circle of Excellence in individual/team advertising, printed promotional pieces, individual news releases, articles and/or social media. Companies or offices must not participate in collective announcements of Circle of Excellence. This rule allows individual/team promotion, not collective promotion for multiple recipients/teams of the Circle of Excellence.

Section 2: If a violation of these rules is brought to the attention of the committee or CABR Staff, the Staff Liaison to the Circle of Excellence Committee will contact the member in violation and request that the violation be corrected. If the violation is not corrected within seven (7) calendar days then the violating member will be fined \$100. If the violation is not corrected within fourteen (14) calendar days then the violating member will be suspended from the Circle of Excellence for the year of the violation.

If a member has violations in more than one year, then the violating member will be fined \$100, in lieu of a warning to correct the violation. If the violation is not corrected within fourteen (14) calendar days then the violating member will be suspended from the Circle of Excellence for the year in violation.

ARTICLE 10 - COMMITTEE

Section 1: The Circle of Excellence Committee shall consist of a minimum of thirteen members from the Board.

Section 2: The Committee's function shall be to oversee the administration and operation of the "Circle of Excellence" as per these rules and render decisions on matters pertaining to the Club, subject to approval of the Board of Directors of the CINCINNATI AREA BOARD OF REALTORS®.