## real

## 8 Ways to Earn Income

All the ways to earn income at Real

# There are 8 different ways an agent can earn income while working for Real.

### As an agent, you can earn income by:

- 1. Making Commission on closing transactions
- 2. Stock Purchase Plan
- 3. Stock Purchase Plan Bonus Incentives
- 4. Stock awards for capping
- 5. Elite Agent production awards
- 6. Elite Agent Cultural award
- 7. Revenue Share income
- 8. Attraction Shares

Note: Canadian differences are denoted in blue text where appropriate. Where no difference is indicated, amounts are the same but in CAD.

#### 1. COMMISSION PLAN

Real's commission split is one of the most competitive in the market.

AGENT PLAN	TEAM PLAN
85/15 commission split	85/15 commission split
No monthly fees	No monthly fees

\$12K annual cap	\$12K team leader annual cap
	\$6K team member annual cap
Then 100% split	Then 100% split
'	'
\$225/transaction fee after cap &	\$225/transaction fee & \$125/lease
\$125/lease transaction fee after cap	transaction fee after cap
, ,	a an out on the
\$275 CAD transaction fee after cap and	\$275 CAD transaction fee after cap and
\$125 CAD/lease transaction fee after cap	\$125 CAD/lease transaction fee after cap
\$149 sign-up fee	\$149 sign-up fee
\$249 CAD sign-up fee	\$249 CAD sign-up fee
-	
\$500 annual brokerage fee, paid from first	\$500 annual brokerage fee, paid from first
2 transactions per anniversary year	2 transactions per anniversary year
\$1,200 CAD annual brokerage and risk	\$1,200 CAD annual brokerage and risk
management fee, paid from first 3	management fee, paid from first 3
transactions each anniversary year	transactions each anniversary year
Up to 3 personal transactions per	Up to 3 personal transactions per
anniversary year, with \$250/transaction fee	anniversary year, with \$250/transaction fee
Up to 3 personal transactions per	Up to 3 personal transactions per
anniversary year, with \$275	anniversary year, with \$275
CAD/transaction fee	CAD/transaction fee

#### 2. STOCK PURCHASE PLAN (SPP)

Agents are able to set aside a portion of their commission as an investment, to be used for purchases of Real's shares. This allows Real agents to develop an equity stake in the company they're helping to build and grow.

All shares in this program are Restricted Stock Units (RSUs) and have a 1 year vesting period. Agents must remain in good standing throughout the vesting period.

Standard contributions come from the individual agent's portion of the commission less any fees in the following amounts:

STANDARD CONTRIBUTIONS		MAX CONTRIBUTION		
		\$12K CAP	\$6K CAP	
BEFORE CAP	5%	\$3,400	\$1,700	
AFTER CAP	10%	\$15,000	\$7,500	

Shares are purchased based on the closing fair market value, on the last trading day of the month in which the commissions are distributed.

Agents can opt out of the Stock Purchase program at any time, however, they can only opt in once per anniversary year.

Additionally, SPP contributions must hit an initial \$250 minimum before account funds will be used to purchase stock. Example, if 5% of an agent's commission contributions only total \$205, they will have to wait until \$45 more in commission contributions are earned before that money is used to purchase Real stock shares.

#### 3. SPP BONUS INCENTIVES

Every agent who opts in to the SPP is eligible to receive a bonus in the following amounts:

BEFORE CAP >7K agents	15%
AFTER CAP >7K agents	30%

All shares in this program are Restricted Stock Units (RSUs) and have a 3-year vesting period. Agents must remain in good standing throughout the vesting period.

#### 4. STOCK AWARD FOR CAPPING

Agents are eligible to earn additional stock awards when they reach the annual cap paid to Real in their anniversary year:

Between 7,000 - 8,000 Agents						
	\$12K CAP \$6K CAP \$4K CAP					
CAPPING AWARD	250 SHARES	125 SHARES	80 SHARES			

All shares in this program are Restricted Stock Units (RSUs) and have a 3-year vesting period. Agents must remain in good standing throughout the vesting period.

#### 5. ELITE AGENT PRODUCTION AWARD

Real's top earning agents are eligible for an additional stock award of \$16K if they meet one of the following criteria after meeting their annual cap:

- a. They pay \$6K in post-cap transaction fees
- i) They pay \$9K CAD in post-cap transaction fees

b. They close more than \$500K in deals AND close 10 transactions of \$1M in value or greater

All shares in this program are Restricted Stock Units (RSUs) and have a 3-year vesting period. Agents must remain in good standing throughout the vesting period.

All qualifiers must be met within a single anniversary year.

#### **6. ELITE AGENT CULTURAL AWARD**

Top earning agents who have achieved Elite Status are subsequently eligible for an additional stock award of \$8K if they give back to the entire agent population by teaching monthly topics at the Real Academy. Note: All topics must be approved in advance.

All shares in this program are Restricted Stock Units (RSUs) and have a 3-year vesting period. Agents must remain in good standing throughout the vesting period.

All qualifiers must be met within a single anniversary year.

#### 7. REVENUE SHARE INCOME

Agents who refer agents to Real are eligible for a portion of those commissions. The below revenue share model is unique to Real because higher percentages are awarded for the initial tiers of agents. Real uses a top-down model to reward agents early on, whereas many other brokerages use a bottom-up model.

NUMBER OF AGENTS	1-9	10-14	15-19	20-24	25+
TIER	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
PERCENTAGE	5%	4%	3%	2%	1%

MAXIMUM	Up to \$4,000	Up to	Up to	Up to	Up to \$800
	per referred	\$3,200 per	\$2,400 per	\$1,600 per	per referred
	agent per	referred	referred	referred	agent per
	year for	agent per	agent per	agent per	year for
	capping	year for	year for	year for	capping
	agents.	capping	capping	capping	agents.
		agents.	agents.	agents.	
CUMULATIVE		+Any	+Any	+Any	+Any
TOTAL		revenue	revenue	revenue	revenue
		from Tier 1	from Tiers	from Tiers	from Tiers
			1-2	1-3	1-4

#### **PRODUCING AGENT POLICY**

Agents must be active and pay \$650 in splits and/or post-cap fees to Real every 6 months to be considered producing and eligible to receive revenue share.

**Grace Period:** A new agent has a 6-month grace period from their join date where the agent is considered producing without meeting the \$650 split and/or post-cap fee requirement. If the agent does not meet the \$650 requirement before the completion of -the grace period, they become non-producing at the 6-month mark. This grace period is granted only once when the agent first joins; it does not repeat after the anniversary date.

**Annual Cap:** Furthermore, If an agent reaches their annual cap, then the agent is considered automatically producing until their next Anniversary, independent of how much they've made in the last 6 months.

In other words, we consider all capped agents automatically producing; the \$650 in 6 months rule only applies to non-capped agents.

However, if a capped agent has not paid the \$650 in splits and or fees within the six months prior to their Anniversary reset date, *they will roll into a non-producing status on their Anniversary reset date.* 

#### TIER BUILDING AND BREAKING

Each tier must be completely filled before an agent can begin earning from their next tier. If a member of the lower tiers becomes non-producing, then the spot must be refilled with a producing agent (or the producing status must be re-obtained) before the earnings can resume on the higher tiers.

Non-producing agents don't "break the tree" or keep agents from receiving revenue for producing agents within the same tier. Rather, agents will continue to receive revenue share in the previously determined amounts, they just need to bring in new agents to replace those that have become non-producing.

#### 8. ATTRACTING SHARES

Agents are eligible to earn additional stock awards when they directly attract another agent to Real, and the attracted agent completes their first qualified transaction with a minimum GCI of \$2,000.

Between 7,000 - 8,000 Agents					
	\$12K CAP	\$6K CAP	\$4K CAP		
ATTRACTING AWARD	125 SHARES	60 SHARES	40 SHARES		

All shares in this program are Restricted Stock Units (RSUs) and have a 3-year vesting period. Agents must remain in good standing throughout the vesting period.

If you have additional questions, please watch this <u>video</u>.

If you have additional questions, please email Support at <a href="mailto:supportCAD@therealbrokerage.com">supportCAD@therealbrokerage.com</a>.