



Co-Sponsored Revenue Share FAQs

What is happening?

We are enhancing the company's revenue share program. Under Real's legacy program, when a new agent joins the organization, he or she names a sponsor to receive a portion of Real's 15% split of the commission. Under Co-Sponsored Revenue Share, agents can name up to two sponsors who can both benefit from an equal portion of Real's split of the commission. This broadens the new agent's network from the start and helps to enable increased collaboration throughout the company.

When is it happening?

This benefit goes live February 1, 2023.

How does it work?

When a new agent joins Real and signs their ICA, he or she has the opportunity to name two sponsors as part of the Co-Sponsor program. The sponsors split the revenue share sponsorship evenly 45% and 45% and Real receives 10%.

Why is it happening?

Collaboration is a core part of our culture, and our agents have told us that there is a tremendous benefit to working together to bring new agents to Real. This empowers our agents to collaborate with one another and lift one another up across the organization. Real's Co-Sponsored Revenue Share program is designed to break down silos and encourage collaboration as the company continues its rapid expansion. Additionally, it enables agents who haven't yet participated in revenue sharing the opportunity to do so by partnering with those more experienced in attraction.

What is the Co-Sponsor Grid?

Agents are no longer limited to the amount of revenue share they can generate. By co-sponsoring agents across the organization, sponsors expand their sphere of sponsorship, branching out and down across the grid and benefitting from opportunities previously limited to them.

Can more than two people be co-sponsors?

No. Two people split the sponsorship evenly at 45% and 45%, and Real receives a 10%. This program allows more people to benefit from agents within their grid attracting new talent to the firm.

Who is eligible?

Any current Real agent in good standing in the U.S. and Canada. Brokers are eligible on a case-by-case basis with prior written approval from the EVP of Brokerage Operations at Real.

Why does Real take a 10% portion of the commission?

This fee is built in to help cover infrastructure development costs and ongoing support.

Is it retroactive? Ex. Can I add an additional sponsor for myself or get added as someone else's sponsor?

No. This benefit is activated via the ICA and, as a result, will only be available to agents who join Real on January 24, 2023 and beyond.

What if one of the sponsors leaves Real and/or real estate?

If one of the sponsors leaves the organization, then that sponsor's revenue share spot is assumed by Real to preserve the integrity of the revenue share grid so that it does not affect anyone else's revenue share payouts.

Can two individuals within the same tree co-sponsor a new agent together? Ex. If Adam sponsors Brenda, can the two of them then co-sponsor Cal?

Real is taking a collaborative cultural stance and not introducing any limitations on co-sponsorship configurations at the launch of this program. This allows individuals from the same network or different networks across any tier anywhere in the company to collaborate and engage in a co-sponsoring relationship.

However, there is an assumed and understood cultural responsibility for sponsors to serve as a support system to help their networks with their business and also with attraction, without requiring co-sponsorship at every tier. We hope that all sponsors will respect this relationship and utilize co-sponsoring to benefit the incoming agent to Real while collaborating with individuals across the company.

Are the revenue share percentages flexible? Ex. Can two sponsors do a 70/30 split?

The Co-Sponsor Revenue Share program is fixed at 45% to Sponsor A, 45% to Sponsor B and 10% to Real.

Is there an additional cost associated with Co-Sponsored Revenue Share?

There is no additional cost to participate in the Co-Sponsored Revenue Share program beyond the fees associated with the broader revenue share benefit.

As a reminder, beginning February 1 for new agents and April 1 for existing agents, an annual \$175 (\$175 CAD) revenue share program participation fee will be deducted from the first revenue share payment on the participating agent's anniversary year, and each subsequent revenue share payment will be accessed with a 1.2% processing fee.

Do other brokerages have a similar program?

Not that we are aware of. We believe this to be an industry-first program offering.