



# **POLICY AND PROCEDURES MANUAL**

## **INTRODUCTION**

Liaison Real Estate Consultants, Inc. (“LREC”) is designed for the real estate licensee who wants to hold an ACTIVE Florida license to earn money. This is accomplished by referring personal, professional, and generated contacts who are prospective buyers and sellers of real estate to LREC.

## **MEMBERSHIP**

- LREC is comprised of referral associates (consultants) who place their real estate license with LREC, a licensed real estate broker.
- A member (Associate) is required to maintain an active license according to the laws of the State of Florida.
- Associate is required to sign an independent contractor agreement with LREC and to refer leads to LREC exclusively.
- Associate may not sell or list property but is limited to providing referrals only.
- Associate may not sign listing agreements or contracts of sale or lease.
- Associate does not belong to any board of Realtors and is not required by contract to purchase Errors and Omissions insurance.

## **PRIMARY DUTIES OF THE ASSOCIATE**

- Associate develops prospecting methods which enables him/her to contact prospective buyers and sellers to determine their real estate needs.
- Associate obtains as much information as possible about each prospect: name, address, phones, buy or sell, and any other information that might help a Receiving Sales Associate.
- Referred buyers and sellers will then be promptly assigned by LREC to a qualified Receiving Sales Associate.
- Associate is encouraged to maintain contact with buyer/seller and Receiving Sales Associate, in a consulting role, to ensure that appropriate levels of service are being provided. Associate should report any changes in referral status or service issues to LREC.

## **WHAT IS A REFERRAL?**

- A referral is a lead consisting of detailed information about a prospective buyer or seller (not rentals) which is sent to LREC to be serviced by a Cooperating Broker.
- To be a valid referral, prospects must agree to be contacted by a Receiving Sales Associate.
- Referrals are valid for a period of eighteen (18) months. If a signed contract is not written on or before the 18 months, the referral may be extended by contacting LREC prior to the expiration date with the permission of the buyer/seller.

## **REGISTERING AND PLACING A REFERRAL**

- All referrals must be initially phoned, faxed or e-mailed to LREC, furnishing all pertinent information about the prospect. The most expedient method is to e-mail the on line referral form, second best is faxing the referral form.
- LREC will then place the prospect lead with the Receiving Sales Associate who can best service the referral.
- Associate may designate a specific Receiving Sales Associate, with any brokerage firm, to handle the referral; however, final placement will be at the discretion of LREC.
- Should two or more Associate members of LREC refer the same prospect, it will be credited to the Associate who first submitted the lead to LREC. Best way to qualify registration time is by e-mail, next by fax, and phone is last and most difficult to document.
- If a Receiving Sales Associate is already working with the referred prospect, the Associate member will be notified as soon as possible that the referral is rejected. Associate earns a referral fee on a prospect only if the prospect sells or buys with the Receiving Sales Associate assigned to the prospect. If the prospect has had prior contact or buys or sells with another Sales Associate, no referral fee will be paid to the Associate member.
- Cooperating Brokers who offer special incentives reserve the right to reject referrals of employees or affinity group members when the Cooperating Broker has an obligation to reduce commission or provide credit to the member or group. In these cases, LREC will attempt to save the referral by placing the prospect with a Cooperating Broker who is willing to offer a referral fee. By necessity, this fee may be less than is custom and will be adjusted accordingly to the Associate member.

## **BUSINESS CARDS**

Associate is encouraged to purchase and use LREC business cards in order to promote and maintain contact with prospects, friends, and relatives. You must ask for the business consistently. Therefore, the use and purchase of LREC Announcement Cards and other marketing materials, made available from time to time, is also recommended. Business cards must be ordered only through LREC. A copy of all media advertising and other marketing materials must be submitted to LREC for approval before circulation. These materials must be reviewed to see that it falls within LREC's Identity Standards and the guidelines of the Florida Real Estate Commission and LREC.

## ANNUAL MEMBERSHIP SERVICE FEE

The Associate's annual membership fee is \$100.

Membership service fees are payable upon joining LREC. Renewal is due on the anniversary date to maintain membership. These fees are not prorated.

If an Associate is in arrears less than 60 days on their annual membership service fee when a referral closes, the Associate will be required to pay the fee before the commission fee can be paid. LREC will not make deductions from commissions to pay fees. If an Associate is over 60 days late to renew the membership by paying the annual renewal service fee or has failed to renew their license and provide a copy to LREC, they will be dropped from membership and will lose their ability to receive referral commissions. Associate must furnish LREC a copy of their active real estate license each time the license is renewed, as well as a copy of proof of continuing education as required by the State of Florida.

Associate must notify LREC of any change of address. LREC will then generate the necessary paperwork for execution by Associate to notify the Division of Real Estate as is required by law.

\*Ask about the current fee reimbursement program for recruiting new members!

## REFERRAL FEES

Referral fees are considered earned upon receipt of a referral fee by LREC. Associate referral fees will be paid as soon thereafter as is practical.

Associate will receive a referral fee of 20% of the commission on the listing side, if the referral is a listing; or 20% on the buying side, if the referral is a buyer.

## EXAMPLE

Sales Price	\$300,000
Commission Rate *	<u>x 3%</u>
Commission on the side referred	\$9,000
Associate's referral fee %	<u>x 20%</u>
<b>Associate's Referral Fee \$</b>	<b>\$1,800</b>

\*Example rate: Commissions are negotiable between Seller and Broker and may vary.

Associate may not negotiate referral fees with the Cooperating Broker or Referred Sales Associate. LREC has established agreements for referral fees with its Cooperating Brokers and retains the differential % as a handling fee.

**I ACKNOWLEDGE I HAVE READ THE POLICY AND PROCEDURES MANUAL  
AND AGREE TO COMPLY WITH ALL ITS PROVISIONS.**

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
**ASSOCIATE**