

INDEPENDENT CONTRACTOR AGREEMENT
(Between Broker and Associate-Licensee)
ADDENDUM No. 1

Standard Broker Fees:

\$500.00 or 10% (whichever is less) and \$135.00 Risk-Management fee per standard single agency transaction up to \$1 million. There are no sign-up, recurring, monthly, hidden or other fees that an Associate-Licensee will be charged while performing common real estate business in California.

Recruiting Bonus:

For every agent that you refer to pay1Realty.com you will receive a \$100.00 recruiting bonus for each of their qualified* closed transactions where the full Broker commission of \$635.00 is paid. There is no limit to the number of agents you refer or the number of bonuses you can receive. When your recruited agent registers online at www.reebroker.com they must simply state your name in the “referred by” area of the application. The bonus will be paid automatically to you as long as the referred agent remains with pay1Realty.com.

Note: Recruiting Bonus is not applicable when referring a spouse or agents working as a team.

The spreadsheet below contains and explains all possible Broker charges that may apply in nonstandard transactions or situations.

	Fee/Charge	Note
When total commission is \$5000.00 or less: Minimum required commission per single agency real estate transaction is \$2000.00 or 2.5% (whichever is less) of the sales price	10% of commission	If an agent voluntarily reduces their commission, the broker fee will then be calculated at 2.5% of the selling price.
When the total commission is over \$5000.00 and sales price is less than \$1 million	\$500.00	
When sales price is over \$1million	\$500.00+\$50.00 for every \$100,000.00 price increment over \$1 million	
Dual agency transaction (representing both the buyer and seller) Note: Agents are not permitted to conduct dual agency transactions on their own property	\$1000.00	Plus \$100.00 for every \$100,000.00 price increment over \$1 million. Broker’s 10% discounted fee program is applicable on dual agency transaction files

<u>Risk Management/E&O Fee Per Closed Real Estate Transaction</u>		
When the sales price is less than \$1million	\$135.00	
When the sales price is over \$1million	\$135.00+\$13.50 for every \$100,000.00 price increment over \$1million	
For selling Associate-Licensee owned property (AOP) Note: AOP is when the agent, their company, or trust name is on title	\$335.00	Plus \$33.50 for every \$100,000.00 price increment over \$1 million.
Dual transaction (representing buyer and seller)	\$270.00	Plus \$27.00 for every \$100,000.00 price increment over \$1 million.
Commercial and income property over \$3 million	Varies	Adjusted according to the risk
Supplemental Risk Coverage (Optional) insurance to cover E&O deductible (zero deductible for agent)	\$49.95	Fee charged per transaction. Dual agency transactions fees are doubled. Plus \$4.99 for every \$100,000 price increment over \$1 million.

Referral, BPO, Lease and Transaction Coordinating Fees

Referral

For referring client(s) to an Associate-Licensee within Pay1Realty.com	None	Associate-Licensee receives 100% of the referral
For referring client(s) to an outside Broker (other than Pay1Realty.com)	10%(\$500.00max.)	Associate-Licensee receives 90% of the referral

Broker's Price Opinion (BPO)

If fees received for BPO's are \$500.00 or less per month	None	
If fees received for BPO's are \$500.00 or more per month	10%	Associate-Licensee receives 90%

Rental/Lease (Property management service is not permitted to perform for Associate-Licensee)

If an Associate-Licensee rents/leases their own property	None	
If an Associate-Licensee rents/leases clients properties	10% (\$50.00 min. And \$500 max)	

Transaction Coordinator service fee (optional service)

Transaction Coordinator (TC) fee per closed transaction	\$350.00 single sided \$500.00 dual agency	TC service is an optional service for Associate-Licensee
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Penalties

For signing commission distribution/instructions issued by Escrow or any other way of instructing Escrow holder how to distribute commission without Broker's approval.	\$500.00	All commission instructions and/or documents regarding commission distribution/demand must only be signed by the Broker
For any real estate transaction performed by Associate-Licensee and not reported to the Broker.	\$500.00	Every transaction has to be recorded via email to dchow200@gmail.com within 2 business days
For cashing/depositing the commission check (received from Escrow) or receiving any other compensation for performing real estate activity without Broker's knowledge or permission.	\$1,000.00	Associate-Licensee must inform Broker immediately if payment is received and comply with Broker's instructions

Fees, charges and penalties are accepted by the agent at the same time of signing the Independent Contractor Agreement and may be changed by the Broker with a 90 day advance notification to an Associate-Licensee.