

Statement from Broker/Owner/Manager

First, I want to thank you for setting aside time to visit with me. The selection of a real estate company to associate with is a very serious one and one that many agents do not give adequate time to make this all-important decision. At the same time, we take very seriously who we select to join our team of agents at Myers Realty.

I am very proud of the agents that are associated with our company and they are the reason that Myers Realty is recognized as the industry leader worldwide. I encourage you to take your time and review the information you have been provided in this Interview Manual. We have collected information that should give you an understanding of who we are and also answer many of the questions you have as you make the decision of who to associate with.

I look forward to spending some time with you once you finish the Interview Manual and encourage you to make a list of questions that are not already covered. The material you hold in your hands is but a small indication of how seriously we take this business and also gives you a sense of the tools we provide to our agents to assist them in their efforts to become a Super Star in the industry!

Thank you again for considering making Myers Realty your partner in success!

Rick DeLuca

Owner/President Myers Realty, Inc.

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Company History

In 1969 Bill Myers, our founder, saw the need for a real estate company that provided a quality of service to buyers and sellers that, at that point, had not existed. He launched a real estate company that would not only become highly successful in sales production, but also had a sterling reputation for client care. The systems Bill put into place served many agents and customers alike for many years.

As Bill's popularity and his company success grew, more local agents expressed an interest in joining Bill's vision. Myers Realty grew quickly. As the company's success grew, so did the responsibilities of leadership. Bill turned his attention from personal transactions and focused on putting together a team of managers and agents that would build on his initial vision – A high quality of customer service.

That early vision is what today continues to run the very lifeblood of Myers Realty. The company has never wavered in its efforts to provide a high level of service. This philosophy has served everyone well associated with the company. It is proof that by providing a high-quality service, you also attract highly competent and professional sales associates. The individual success of the agents and company today is seen as a true joint effort with a mutually beneficial relationship.

Having served originally as an agent, Rick DeLuca went on to become at first, a branch manager, then General Sales manager and in 1981 purchased the company from Bill Myers. Under Rick's tenure the company grew from 34 agents to 192 when he sold the company in 1991.

The original vision of founder Bill Myers and fine-tuned by Rick DeLuca is the very reason why the company has grown to command the respect of the local real estate community and consumers alike.

Company Timeline

- 1969 Myers Realty founded by Bill Myers in Reno, NV
- 1971 Hired first 4 sales associates
- 1972 Opened main office on Ryland Ave
- 1973 25 sales associates
- 1976 Opened branch office – 10 sales associates
- 1979 35 sales associates in main office
- 1981 Rick DeLuca bought the company from Bill Myers
- 1982 50 sales associates
- 1984 Opened new main office 10,000 square feet
- 1985 Selected by Real Estate Today Magazine – One of 10 nicest offices in the U.S.
- 1985 90 sales associates
- 1988 Opened larger branch office – 35 sales associates
- 1989 Opened Commercial office – 15 sales associates
- 1991 192 sales associates
- 1991 Recognized by Real Trends as #1 agent production company in U.S.

Company Values

- Do the right thing
- Help others grow
- Always strive for higher
- Deliver more than promised
- It's the journey – not the destination

Management Biographies

Rick DeLuca – President/Owner

Rick began his real estate career in 1976 when he left law enforcement to pursue a career in real estate. Following a very successful start in his sales career he quickly moved into management. At that time Rick began sharing with agents the systems that allowed for his personal success. As the agents began following Rick's principles and practices the office began to quickly accelerate their production. Due to the success of the office itself, other local agents were attracted to the company and the office grew dramatically. Today, Myers Realty is recognized as a local industry leader and it's under the stewardship of Rick DeLuca. Rick has served in local, state and national real estate leadership positions and currently holds the position of president of the Realtors National Marketing Institute. Although involved with industry responsibilities, Rick is fully aware that his primary responsibility lies with the agents of Myers Realty He takes great pride in the success of each individual agent and the entire company.

Tom Jacobs – General Manager

Following a very successful career in the grocery business Tom stepped into his role as Sales Manager for a large local title company. His organizational skills culled from years of becoming systematic and accountable lead Rick DeLuca to recruit him into his current position. Tom's responsibilities are maintaining the company operating procedures and to assure our operation is one admired by all. His ability to organize and find solutions for virtually any business challenges is a skill that many real estate companies only wish they had. To run a "tight ship" is Tom's mantra. He is respected and liked by all within the company and his reliability is something the company has come to expect.

Mary Ann Williams – Branch Manager

Her sales career brought respect from each of her peers and paved the way for her entry into management. Problem solving is her forte. The agents within our company know when it comes to day-to-day challenges of selling real estate, there is no one with more knowledge and genuine concern than Mary Ann. She brings in the way of solutions her learned skill, compassion, and intensity to do the right thing. As the most visible daily management member, it is a privilege to watch her in action, assisting agents at every turn.

This is a very challenging and sometimes frustrating business. To know that Myers Realty consists of proven leaders, whose very success hinges on the success of the agents is a rarity. As a company we are proud of our entire team.

OFFICE ORIENTATION

History and present organization

Management and staff job descriptions

Commercial Properties

Sales Meetings

Floor time - hours - weekends - sign up

Advertising - deadlines - cut out ads - personal

Signs - commercial - riders - Open House

Flyers

Sphere mailing program

Forms in work area

Library - CD's and DVD's

Announcement cards

Hand out company policies referred to most often

Sign off on company Policy and Procedure Manual

Negotiable commissions

Handling earnest money deposits

Tour of office - keys

Opening and closing the office

Parking

Pictures and bio for 'introducing' ad in newspaper

Company web site

Intranet (if applicable)

Ongoing Training

How to Start the Year With A Bang!

Sales Techniques That Work in Today's Market

The Consumer Has Changed – Have You?

The Market Today – Short Sales and Foreclosures

Efficiency vs. Effectiveness

Super Star Panel – What's Working Best

Presentations Can Make or Break You!

The 10 Most Powerful Questions You Can Ask

Staying Up in A Down Market

Organizational Skills You Can Use Today!

Negotiating Is A Learned Skill

Pricing Properties That Sell in Today's Market

The 4th Quarter – The Most Important?

How to Finish the Year Strong!

Evening Training For Family

These training sessions were made available to all our agents, spouse and children. A guest speaker is brought in to enlighten all of us.

The History of Reno, Nevada – people, places & things

Get A Grip on Your Finances – Tips Everyone Can Use!

Are You Wearing the Right Colors? –Analyze Your Own Wardrobe

Proper Meal Etiquette – Which Fork Do I Use?

CPR Certification

Little Known Facts About Our Geographic Area

University of Nevada – I Bet You Did Not Know...

City Government – How It Works & How It Does Not

Spend Time with A Winner – An Olympic Athlete Is Our Guest

How to Buy Things Smart!

Pick A Sport – We Will Teach You to Play

The Internet – How to Use It Effectively

Most Common Asked Questions

Can you tell me why Myers Realty is different than other companies? We have the highest production level of any real estate network in the U.S. Our average years of experience and income per agent also lead the industry. At Myers Realty you get the “best of both worlds.” You are truly your own business owner and run your business accordingly, but you also have available to you the most sophisticated support system in the real estate industry.

What training do you provide the agent to help them succeed? We have training for new agents, struggling agents and experienced producers. Regardless of your current status you can feel confident that Myers Realty provides superior training at all levels of production. We feel it is imperative to provide both the critical initial training to an agent launch a successful career, as well as the proven veteran to enable to reach even higher levels of success.

How do you help an agent begin generating business quickly? We are big believers in what we call “*specific direction.*” We have learned that an agent can possess a great desire to succeed, have tremendous motivation, but without specific guidance, the risk of failure is great. Due to the very specific guidance we provide both new and seasoned agents, it relieves them of having to determine the best path to success – it’s provided to them.

Will it cost me much to launch my real estate career? Whether you choose Myers Realty or a competitor, it’s important to realize a successful beginning to your career requires a financial investment. There are tools, training and systems available to you at Myers Realty that will assist you greatly in quickly generating an income. Management will provide a specific breakdown of your initial expense. Be cautious; if someone tells you it’s possible to enter the real estate profession and *cost you very little*, they are more than likely going to provide you with *very little support*. One of life’s rules is – You get what you pay for! We have found that serious and motivated real estate professionals understand the need to invest in their career, while those that hesitate typically are not the person we are looking for at Myers Realty.

Are there many requirements you place on your agents? Keep in mind, you are an independent contractor. That means you run your own business. That being said, Myers Realty believes the most successful agents are those that combine that entrepreneurial spirit with a healthy dose of “*specific direction.*” We will provide you with guidance on how to pursue business at a high level and we believe it’s important to surround our agents with successful people. If you truly wish to become a successful and profitable real estate agent, you will fit right in! If you’re looking for an office to “hang your hat” and do your own thing with little or no accountability, you will not feel comfortable in our culture. We have high expectations for our agents and they seldom let us down.

Do you have meetings? A normal activity for a successful business is to consistently meet as a group to share ideas, learn from one another and experience a true synergistic environment. This is nearly impossible if there are no meetings held. However, we also believe it’s not conducive to high production to simply have a meeting for the sake of having meetings. Management will

tell you specifically how often we meet and what our objectives are during these business meetings.

Am I required to do certain activities? No – you truly are an independent contractor. You make the ultimate decision as to which activities you choose to pursue to generate a substantial income. We believe one of the reasons many agents join Myers Realty is because of the training, support and systems we make available to our agents. One of the primary reasons Myers Realty is recognized nationwide as an industry leader is due to our commitment to guide our agents towards the most successful lead generation activities. Ultimately, it is your decision whether to follow this “proven method of success” or pursue less successful business strategies. We encourage individuality, yet caution you about going about this business in a less successful manner. *There are proven methods of success – we believe you deserve to know what they are!*

How many hours will I be expected to work each week? Every agent chooses their own work schedule, but we at Myers Realty believe it’s not only possible to make a terrific income working 40 to 45 hours per week, we encourage this type of work schedule. The problem with most real estate agents is they don’t really *work* 40 hours. If left to flounder and figure this business out on your own, it will command a high price of your personal time and great sacrifice. A successful real estate career certainly requires hard work, but that’s not to be confused with *truly working* and not just *spending* 40 hours per week *at work*. Myers Realty is a strong advocate of having balance in the lives of our agents. We believe our agents become more profitable if they lead a balanced, happy and family oriented lifestyle.

Where does my business come from? There are varied sources of business and we will introduce you to many of them. However, our training will teach you specifically how to generate business in a cost effective and efficient manner. Too many real estate agents spend a disproportionate amount of money to generate their business, with few results. At Myers Realty we show you how to *work smarter – not harder*. If you are looking for a company that offers support, guidance, tools and a history of success – look no further!

Is there anything else I should ask? Keep in mind, almost every real estate manager/owner you consider associating with has a successful sales background. That means they may try to *sell you*. It is of the utmost importance that you ask them to “show me.” Don’t take anyone’s word for anything they say to you – including me. If *training* is important then ask, “May I see your training program?” If they cannot place their training program squarely in your hands – it only exists in their intentions. If putting yourself in a *successful environment* is important then ask, “May I see statistics that show me your success in the local marketplace?” If they avoid showing you this information, let that be a giant warning flag!

Make this decision with which company to associate the most serious step of your career. This is a very challenging business and you owe it to yourself to give you every possible advantage. Lessen the risk of failure by aligning yourself with successful people. Remember, not everyone is destined to be a Myers Realty agent. We are looking for people who are serious about their career and truly want to reach a level of success that most people only dream of. At Myers Realty we make peoples’ dreams come true!

Spouses Only Sessions

The following sessions were provided to the spouses/partners of our agents to help them better cope with the sometimes, turbulent world of real estate sales.

Having A Partner as A Real Estate Agent – the good, bad and ugly

Finances – The Key to Survival

What An Agent Really Does Each Day

Spouses Panel – Shared Experiences

What The Company Provides For The Partner/Spouse

Frustrations Agents Experience – The Impact on The Family

How To Get The Kids Involved In What Mom/Dad Does

A Break Down of The Market – So You Know What's Happening

How To Take Time Off – Quality Time As A Family

Retirement and Medical Care Options Available

Why Does They Have to Sit Open Houses?

What The Future May Hold – Why We Do This For A Living

CONTRACT PHRASES

INCENTIVE COMMISSION SCHEDULE

ALL LISTINGS (residential, commercial, farms and ranches, etc.) UTILIZE THE SAME SCHEDULE. ALL COMMISSIONS ARE COMPUTED AT CLOSE OF ESCROW AT THE RATE OF 50% FOR THE COMPANY AND 50% FOR THE SALESPERSON. LISTING AND SELLING COMMISSIONS ARE COMPUTED EQUALLY.

PRODUCTION INCENTIVE:

In addition to the above base commission schedule, all associates are eligible for incentive earnings based on their average personal income for the previous six (6) months. At the beginning of each month, the salesperson's monthly average income for the previous six (6) months, including incentive, will be computed and the incentive scale for the present month established. That incentive scale will be used on all escrows closed for the month and then recomputed the first of each succeeding month. Any fees received after a sales associate has terminated from the Company will be paid on the base schedule only. Associates who have been with the Company for less than six months will have their average personal income computed on the number of months they have been with the Company.

<u>Average Monthly Income For previous six (6) months</u>	<u>Salesperson's Percentage</u>
\$	%
1200	52
1300	53
1400	54
1500	55
1600	56
1700	57
1800	58
1900	59
2000	60
2100	61
2200	62
2300	63
2400	64
2500	65
2600	66
2700	67
2800	68
2900	69
3000	70
3100	71
3200	72
3300	73
3400	74
3500	75

MISCELLANEOUS FEES:

All miscellaneous fees such as deposit forfeitures, referrals, lease fees, etc. will be paid in the same manner as listing and selling commissions, including the various "add-ons" which increase the sales associate's portion of monies received.

PROMOTIONAL ALLOWANCE. One percent (1%) of the gross income shall be retained by the company for promotion. All associates shall participate in this program. If termination of an associate results, any and all monies collected as a result of the individual associate's production shall remain with the company. The gross income is that commission remaining after applicable referral commissions are paid.

TERMINATION:

Any fees received after a sales associate has terminated from the company will be paid on the basis of 50% to the associate and 50% to the company.

BEGINNING AGENT COMMISSION SCHEDULE:

Due to the time, energies and monies expended to assist a new associate, the commission shall be paid as follows:

The first \$10,000 received from the close (after subtracting the promotion fee, if applicable) shall be divided 50% to the associate and 50% to the company.

The next \$10,000 received from the close of escrow (after subtracting the promotion fee, if applicable) shall be divided 55% to the associate and 45% to the company.

Any portion of commissions received above the \$20,000 level shall be paid per the Flat Rate commission schedule (60% to the associate).

The associate shall be paid per this agreement for a twelve-month period. At that time, they will remain on this schedule through December 31 of that same year. At any time during the first twelve months the associate attains the 60% - 40% schedule, they may elect to sign a new commission schedule for the Incentive Schedule for the balance of that calendar year.

If at the end of twelve months, the associate has not attained the 55% - 45% split (\$10,500 personal income) management may cause termination due to lack of production. Additionally, if the 60% - 40% split has not been attained, the associate shall revert to the original commission schedule of 50% - 50% as previously described.

PROFESSIONAL DESIGNATION RECOGNITION:

All sales associates who have been awarded a professional designation of G.R.I., CRB, CRS, or CCIM have made a special effort to increase their knowledge and service to the public and to the company. These associates will be monetarily recognized by an additional 2% to their side of the transaction for each designation they hold.

HOWEVER, IF A MINIMUM OF \$18,000 INCOME HAS NOT BEEN RECEIVED BY THE ASSOCIATE DURING THE PRECEDING TWELVE MONTHS, NO DESIGNATION INCENTIVE SHALL BE PAID.

IN THE EVENT THE ASSOCIATE DOES NOT RECEIVE A MINIMUM OF \$10,500 INCOME DURING THE PRECEDING CALENDAR YEAR (12 MONTHS), THE ASSOCIATE SHALL AUTOMATICALLY REVERT TO THE "BEGINNING AGENT" COMMISSION SCHEDULE ON JANUARY 1 OF THE NEW YEAR.

LISTING INCENTIVE:

To encourage agents to take quality listings, the company will pay a three percent bonus for a residential exclusive listing that has an accepted offer no later than 30 days from date of said listing. In the event such listing "sells" within the 30 day period, the 3% shall be computed as an addition to the applicable split at time of payment. This incentive excludes subdivision of 5 or more units.

DELAYED COMMISSION:

Commissions received on an installment basis will be calculated when the commission is received by the company. The commission paid shall be based on the sales associate's incentives and other recognitions in effect at the time the funds are received.

COMMISSION SPLITS BETWEEN ASSOCIATES:

It is common practice for two or more sales associates to participate jointly in a listing or sale. The company has no objection. For example, if two sales associates jointly list a piece of property, since the associates are independent contractors, they must determine between themselves how the work and the commission will be shared. The company cannot dictate the split. Commissions, incentives, longevity, etc. will all be based on the split agreed between associates. Said agreement shall be in writing. Management may resolve commission disputes between associates if any one associate requests in writing that management do so. All other

associates then agree to management's deciding which parties will receive which commission amounts.

Statistical Comparison

	<u>Myers Realty</u>	<u>Market Average</u>	<u>Closest Competitor</u>
Number of agents	192	13	75
% of total agents in the market	10%	2%	11%
% of Listings in the market	36%	4%	15%
% of total Sold Properties	24%	3%	12%
% of listings actually sold	67%	30%	41%
Avg market time of listings	62 days	113 days	81 days
Avg List Price - Sales Price Ratio	97%	91%	93%
Experience level in years avg	11.5	2.5	5.1
Experience level of managers	22	9.5	15
% of agents lost to competitors	3%	28%	14%
% of agents leaving the business	4%	24%	16%
% of agents holding designations	71%	4%	15%
% of agents completed training	90%	1%	0%
Avg commission income per sale	\$11,350	\$6,800	\$9,200
% of agents making \$100,000/year	62%	5%	30%
Closings per agent per year	48.6	3.7	18.4

If surrounding yourself with an atmosphere of success is important to you...

Look at the numbers!