



KNEZ HOMES CO-BROKERAGE POLICY

Knez Homes welcomes participation of licensed brokers and their sales agents in the sale of its new homes. Knez Sales Representatives will use every effort to welcome and insure the satisfaction of broker agents and their buyers throughout the process of viewing and selecting a new home.

Knez Homes will abide by the legal concept of “procuring cause” adopted by Ohio courts in determining the rights of real estate brokers to real estate commissions. The definition of “procuring cause” discussed most commonly in Ohio case law in describing broker’s activity refers to “a cause directly originating a series of events which, without break in their continuity, directly result in the production of a purchaser ready, willing and able to buy at the owner’s terms.”

In keeping with the concept of procuring cause, but also attempting to be as reasonable as practical, Knez Homes’ policy calls for the following procedures to be met:

1. In order to register a client with the Knez Sales Representative, the agent must accompany his/her client to a Knez sales office or model home on the client’s first visit and submit a fully executed agency disclosure statement and Knez Homes Co-Brokerage Policy. If the agent cannot attend the meeting, he/she must call the relevant Knez Sales Representative and electronically submit a fully executed agency disclosure statement and a Knez Homes Co-Brokerage Policy.
2. In the event that an agent’s client visits a sales office or model without the knowledge of, or in the company of, the agent, we will attempt to protect the agent’s ability to establish the “origination” requirement of the procuring cause doctrine. Specifically, the agent will receive a commission based on the following:
 - a. The client fills out a guest form providing the agent’s name and his/her contact information;
 - b. The Knez Sales Representative will notify the agent of client’s visit;
 - c. The agent will submit to the Knez Sales Representative a Knez Homes Co-Brokerage Policy and a fully executed agency disclosure statement within forty-eight (48) hours of receipt of notification to be considered a procuring cause of the sale. Additionally, the agent will be required to accompany the client to the next client visit to the sales office or model;
 - d. If the client declines or does not disclose an agency relationship, Knez Homes will not pay a co-broke commission.

3. If the agent complies with the Knez Homes Co-Brokerage Policy, the agent will be paid according to the following:
 - a. Upon the sale of a Knez Home, the agent will be paid a two and one-half percent (2.5%) co-broke commission based on the contract price in the executed purchase agreement. The agent must send Knez an invoice or letter detailing the commission charges. If the customer's loan is a permanent loan, the commission payment will be paid at the closing of the sale of a home to the client. If the customer's loan is a construction loan, the commission payment will be paid at the time of the receipt of the last draw.
 - b. Upon the sale of a Knez owned lot only, the agent will be paid a three percent (3%) co-broke commission based on the base price delineated in the executed purchase agreement. The agent must send Knez an invoice or letter detailing the commission charges. The commission payment will be dispersed at the close of the sale of the property to the customer.
 - c. Upon a client entering into a rental or lease with option to purchase agreement, the agent will be paid a three thousand and 00/Dollar (\$3,000.00) flat fee. The agent must send Knez an invoice or letter detailing the commission charges. The commission will be dispersed at the upon execution of a rental or lease with option to purchase agreement and receipt of any security deposit.
4. If the agent complies with the Knez Homes Co-Brokerage Policy, the agent will be paid a two and one-half percent (2.5%) co-broke commission based on the contract price in the executed purchase agreement. The agent must send Knez an invoice or letter detailing the commission charges. If the customer's loan is a permanent loan, the commission payment will be paid at the closing of the sale of a home to the client. If the customer's loan is a construction loan, the commission payment will be paid at the time of the receipt of the last draw.
5. If a registered client fails to maintain communication, execute a reservation, or execute a purchase agreement for a period of sixty (60) days from registering, and the client subsequently contacts a Knez Sales Representative, a procuring cause will not exist between the agent and Knez Homes and will not result in a co-broke commission.
6. The client will be responsible for any claim of compensation made by the agent for any agency relationship that is inconsistent with the terms of the Knez Homes Co-Brokerage Policy.

[signatures on the following page]

By signing below, we agree to the Knez Homes Co-Brokerage Policy as stated for the client listed below.

Broker's Sales Agent: _____

Sales Agent Signature: _____
Date

Broker Agency: _____

Broker Address: _____

Phone: _____ Email: _____

Client: _____

Client Signature: _____
Date

Client Address: _____

Phone: _____ Email: _____

Knez Community: _____

Knez Salesperson: _____