

Questions and Answers

Questions Outlining the Agent Value Package (AVP):

1. **Q: What is the Agent Value Package (AVP) and why is Coldwell Banker Residential Brokerage offering this?**

A: The Agent Value Package or AVP is an innovative business concept we are very proud to finally offer exclusively to Coldwell Banker Residential Brokerage Associates. We know the challenges real estate agents face every year when it comes time to paying annual State and National board/association dues, annual E&O insurance premiums, websites, CBC, State mandated CE classes and often times they all seem to hit at the same time of year causing agents a cash crunch. This new AVP is our method of hopefully alleviating some of the financial burden that comes with being in the real estate industry- no matter what company you happen to be associated with, these costs must be paid. CBRB is prepared to make a tremendous financial commitment and advance the above costs on behalf of our agents. This advance equals nearly \$1,400,000. We are doing this at a time many of our competitors are having trouble even making payroll.

By consolidating or “bundling” your annual fees into a value package, we are able to offer you three payment options designed to best fit your budgets and seasonal curves of the market. Our hope is that this option will give you the opportunity to remain focused on doing more business versus being focused on how to pay for the next bill. So it’s with great pride that we introduce to you another CBRB exclusive, the Agent Value Package for Coldwell Banker Residential Brokerage Associates of Colorado.

2. **Q: What is included in the Agent Value Package (AVP)?**

A:

- Annual Errors and Omissions Insurance premium (E&O)
- Annual NAR Dues
- Annual CAR Dues
- Annual Colorado Business Conference (CBC)
- Annual Coloradohomes and Coldwellbanker.com agent websites
- Every closing file converted to CD ROM
- Annual 4 hour State mandated class and a 4 hour CE Credit class
- Four (4) Mega Marketing/Sphere Events with 100 mailers (includes postage paid) per event
 - 1 Holiday Photos- December
 - 2 Major Sweepstakes Giveaway- March
 - 3 Community Garage Sale- May/June
 - 4 Night at the Ballpark (10 Free tickets)- July/August

3. Q: When does the AVP take effect?

A: The AVP program takes effect December 1, 2006. An AVP Participation Agreement is included in this packet. Be sure to select and sign for one of the options before November 30, 2006.

4. Q: What are the payment options and methods?

A: You have the following three options:

1. Pay your AVP in the full amount of \$1,356 by December 15th. (\$138 savings)
2. Pay \$712 by December 15th and \$712 by June 15th. (\$70.00 savings)
3. Pay \$124.50 monthly starting December 1st

A: You can pay by:

Annual or semi-annual payments can be paid by check or credit. Monthly payments can be paid by Visa or Master Card only. Any amounts not settled through the above methods will be placed on the agent billing with a 5% processing fee and subject to any interest or collection costs.

5. Q: Can I change my payment mode?

A: Yes. "Open enrollment" for the AVP will be every December. In December you can switch to or from all three payment methods. In June there will be open enrollment options which you can switch from monthly to semi-annual payments or vice-a-versa.

6. Q: Can I pay this off in advance or ahead of schedule and is there a discount for doing so?

A: Yes, by switching during the open enrollment periods to the options available in December or June.

7. Q: How can I expect Coldwell Banker to collect these fees if I do not select a payment option in December or if I ever fail to meet my payment obligation?

A: If you don't select a plan via the AVP Participation Agreement by November 30th, the full amount of \$1,356 plus a 5% processing fee will be placed on the Agent Billing, this balance will then be subject to interest and collection costs.

8. Q: Are there any exemptions for the AVP program?

A: No.

9. Q: Will the AVP amounts change?

A: In the event that the annual State or National dues, E&O Insurance, CE Classes, Web site costs, etc fluctuate up or down we will pass those increases or decreases right through to you with ample notice. In any case, there will be no change until December 2007.

“What If” Questions:

The Associate and Financial “What if” Questions:

10. Q: What if I miss a payment?

A: If your credit card is declined or your check is returned, you will be charged a \$25 fee and the total amount will be placed on your Agent Billing.

11. Q: What if I leave the company during the year, do I still owe?

A: Because CBRB has advanced these annual fees on your behalf, you will be responsible for the AVP for the balance of the year.

12. Q: What if I don’t have any closings or do any business?

A: It might be good to consider joining RNI as a referral agent, that way you can avoid incurring costs for Board/Association dues as well as MLS and many other costs. Otherwise, if you choose to continue to be licensed with CBRB, you’re sure to appreciate that your annual costs are spread out through out the year now.

13. Q: What if I already paid the \$109/\$59 for my Coloradohomes.com agent website in 2006; do I get a credit to my agent bill?

A: Yes, if you paid the \$109/\$59 web fee ANYTIME in 2006, you will receive a full credit on your December 2006 Agent Billing. In essence your 2006 website was free.

14. Q: What if I am on a team?

A: Since every licensee must have E&O coverage, pay board/association dues, complete State mandated CE classes, have a website, etc each Team Member must participate in the AVP.

15. Q: What if I am a husband/wife/family team?

A: Since every licensee must have E&O coverage, pay board/association dues, complete State mandated CE classes, have a website, etc each member of the husband/wife/family team must participate in the AVP.

16. Q: What if I am a mobile agent?

A: Since every licensee must have E&O coverage, pay board/association dues, complete State mandated CE classes, have a website, etc each mobile agent must participate in the AVP.

17. Q: What if I’m a new agent, how does it work?

A: You’ll start making your monthly AVP payment on the 1st day of your first full month with the company. It automatically prorates your first calendar year expenses. It’s very simple by design. At “Open Enrollment” December or June, you can switch to any of the other forms of payment available for the open enrollment period.

18. Q: What if I do nothing to participate in the AVP program?

A: Since CBRB is advancing significant payments on your behalf, the full annual fee of \$1,356 (plus the 5% processing fee) will be placed on the Agent Billing (subject to additional interest and collection fees). Be sure to select and sign for one of the options before November 30, 2006 or the full amount will be put on your agent bill on December 2, 2006.

19. Q: What if I move between offices within the company?

A: You certainly may and the great thing about AVP is it will follow you and does not fluctuate from office to office.

The Quarterly Sphere Mailing program “What if” Questions:

20. Q: What if I don't want to participate in these Marketing Events and mailings?

A: You can choose not to. However, by doing this, you are not getting the full value of your association with CBRB and there is not a reduction in the AVP. During challenging markets, the successful agents always leverage everything they possibly can to do more business.

21. Q: What if I do not send any of the mailers out?

A: If you have a list of prospecting names in your Merrill Account they will receive your mailing **automatically**. If you don't want the mailing to go out, you'll need to turn off the mailer on Merrill (cbmarketingtools.com) prior to the set deadline. However, there is not a reduction in the AVP.

22. Q: What if I don't use Merrill?

A: Each of the mailings and your mailing lists (which will remain confidential and secured) will all be handled by Merrill (cbmarketingtools.com). It is imperative that you set up your Merrill Account in order to take full advantage of what is included in the AVP. Note: There are no credits, refunds, rebates or transfers of payments should you elect to send out a mailer through a third party printer or mail house.

23. Q: What if I want to send out my own mailers?

A: You may however the answer above applies for this too.

24. Q: What if I do not want a certain mailer to go out?

A: Should you elect not to participate in a particular mailer you will have the ability to turn off any one mailer prior to the set deadline. It is very important to note that you **MUST** manually turn off that mailer on your own and do so prior to the deadline set forth or it will go out automatically and there will be no reversing or credits once it goes. We will offer training and how to turn off a mailer well in advance. There is no reduction in the AVP if you choose to turn off a mailer.

25. Q: What if I don't have 100 names in Merrill?

A: The goal for you is to get 100 names in the system however until you reach the 100 mark the mailers will go out to the number of names you do have in Merrill. We do suggest you use the radius or online mailing lists Merrill offers you at no charge in order to quickly meet your 100 names. There are no credits or refunds should you not have 100 names or 100 mailings do not go out.

26. Q: What if I don't know how to get my list of names onto Merrill?

A: We will offer training on this along with a Powerpoint on CBAgentinfo that shows you how to do this. Otherwise, Merrill offers FREE customer service assistance by calling them direct at 1-800-876-4824 or email cbcolorado@merrillcorp.com and they will walk you through it step-by-step. Also, on cbmarketingtools.com there is a help feature that will walk you through it or for a nominal fee Merrill will take your mailing list or Rolodex and enter it for you.

27. Q: What if I have several lists on Merrill, which list of names do I send to?

A: A new tab will be labeled AVP which you will need to quickly and easily move those names into. The easy way is to move all your names over to the AVP list and then select the names on that list that you want to send to. Merrill's customer service line will also assist you direct by calling 1-800-876-4824 or email cbcolorado@merrillcorp.com

28. Q: What if I miss one of the deadlines and mailings?

A: The deadlines and mailing dates will be published well in advance so you will have the entire year's worth. Should you miss a deadline or mailing date depending on which one you miss the system is automated and can not be stopped beyond a certain point so pay close attention to calendars, email blasts, etc.

29. Q: What if I order the 100 pieces and don't want to use the mailing service?

A: The great thing is it's included in the AVP so you will certainly want to take full advantage of the mailing service that is offered. There are no alternatives or substitutes on the first 100 mailed; they will automatically go out.

30. Q: What if I want to send out more than 100 pieces?

A: Hey, now you're thinking!! You can order any quantity you choose beyond the 100 that is already included in the AVP and Merrill will charge the credit card you have on file directly. What's great about this immediately you get the 100+ discount without having to pay for the first 100. We want to do anything we can to make prospecting easier!

The Events "What If" Questions:

31. Q: What if my office is not one of the sites for the Holiday Photos and I don't want to send my clients to an office that is not mine?

A: The great thing about the Holiday Photos is that it enables you to make contact with your clients by inviting their family(s) to have a FREE professionally taken photograph with (or without) Santa. What's important to remember that as an agent, this event is not about you... it's about your clients. As far as your clients are concerned it doesn't make a difference to them which office they go to. They are just elated you took the time to mail, call and invite them to this great event. The best part of it all is when you, their Coldwell Banker agent for life, hand delivers the family photo, which cost them (or you) ...nothing, days before the Holidays! It's truly magical.

And remember just because the 100 mailers are included in the AVP, doesn't mean you can't invite an unlimited number of your clients to attend... send to or call everyone on your list.

32. Q: What if I don't celebrate the Holidays?

A: All that is required is that you celebrate additional business. The underlying purposes of the events are to give you a legitimate and purposeful reason to contact your sphere by mail and phone 4 times per year. It is a proven fact that when agents TALK to their sphere, it results in closed business.

33. Q: What if I don't like garage sales?

A: Remember, it's not about the Garage Sale. All that is required is that you want to do additional business. The underlying purpose of this event is to give you a step by step format to provide you with more ways to add to your business. It is a proven fact that when agents TALK to their sphere, it results in closed business. Note: Should you choose not to participate in the Garage Sale Event, you have the option of sending out the 100 mailers for the current sweepstakes promotion.

34. Q: What if I don't like sports or baseball or the Rockies?

A: Don't feel bad, Chris doesn't either. But he loves an increase in business....do you? The underlying purposes of the events are to give you a legitimate and purposeful reason to contact your sphere by mail and phone 4 times per year. It is a proven fact that when agents TALK to their sphere, it results in closed business.

Again, it's not whether you like sports or not but rather another reason to send out 100 mailers followed by a "warm" call to your clients and invite them to attend a ball game in the middle of the summer at zero expense to them. And with 10 tickets included in the AVP you can't go wrong plus our block of tickets beyond the 10 tickets are ridiculously cheap.

35. Q: What if I don't use the 10 Rockies tickets?

A: Let's not waste them. You certainly don't need to use them; however the 10 tickets for your clients are included in the AVP so you might as well take full advantage and bring a few clients to the game. It may very well result in an extra deal or two for the year.

36. Q: What if I have more than 10 clients who want to attend?

A: Jan and Jerry Selinfreund had over 700 clients join them last year. Our block of tickets are \$7 each (\$15 for the nicer ones) and you can count on a great evening at the ball park with your clients. It's a huge home run for all!!

37. Q: What if I don't want to go to CBC?

A: We believe this to be a huge disservice to you and your future as a real estate professional. The CBC is set for January 22, 2007 at the Denver Convention Center and is a single day for you to network, learn and have fun with your fellow Coldwell Banker associates from across Colorado. It's a one day investment that will last your entire career that you simply can't afford to miss. After all it's included in the AVP so take full advantage.

38. Q: What if I don't attend or miss the CBC?

A: The CBC has been designed to help you do more and better business. Affiliates throughout Colorado will be paying up to \$99 to attend this one day powerhouse. It is our hope that you will block the date and take full advantage of this excellent educational opportunity. The registration fee is included in your AVP so you may as well get the most out of it.

Oh, by the way, don't forget our Big Awards Ceremony will immediately follow the CBC promptly at 6pm that evening at the Ellie Caulkins Opera House, steps from the Convention Center in Downtown Denver. Consider making a night of it and book a room at the new Hyatt. There are no refunds or credits should you not attend the CBC, so be sure to register today at CBAgentinfo.com.

39. Q: What if I already paid for the CBC on CBAgentinfo.com; do I get a credit on my agent bill?

A: For those few who have already registered and paid for the CBC online you will receive a \$49 credit on your December agent bill because it will be included in the AVP.

40. Q: What if I don't attend or miss the annual CBRB State Continuing Education Compliance class?

A: Our classes will be at no charge to you and we will keep track of your attendance in case you are audited by the CREC. If you attend any other State approved CE credit classes you will not be reimbursed.

41. Q: What if I don't want my closing files saved on CD?

A: We will be doing this for all transactions closing after December 1, 2006. If you don't want the disk you can always offer it to one of your clients.

42. Q: What if I already paid my 2007 Board Dues?

A: This will be handled on a case-by-case basis however you can expect a credit to your agent account for the CAR and NAR portion of those dues.