HOUSTON PROPERTIES TEAM

HOUSTON PROPERTIES TEAM MEMBERSHIP AGREEMENT

SECTION 1: DEFINITIONS

- **HPT-Sourced Lead:** A lead provided by the team, the Inside Sales Agent (ISA) team, or HPT marketing efforts.
- **Agent-Sourced Lead:** A contact generated through the Agent's own sphere of influence or activities, added to the HPT CRM system by the Agent, and designated in the CRM within five (5) days in the "Lead Source" field.
- **Personal Deal:** A transaction where the Agent is the primary buyer or seller on the title, or it involves an immediate family member.
- **Real Team Member Cap:** By joining HPT, Agent becomes eligible for Real Brokerage's $4,000 annual cap available to agents affiliated with qualifying $100M+ teams. Reduced cap is a benefit of team membership and allows the Agent to cap sooner and keep more of their commissions.

SECTION 2: COMPENSATION & TEAM SPLITS (ASSOCIATE Member)

Agents begin as an Associate Member and are assigned a designated mentor ("Squad Leader"). The following Team Splits apply to the Agent's gross commission:

Initial Onboarding (First Five Purchase Transactions):

- **50/50 Split** between Agent & HPT on the Agent's first five (5) closed purchase transactions where the Agent is the lead owner within the HPT system. This applies regardless of whether the lead was HPT-Sourced or Agent-Sourced (excluding Personal Deals).

Standard Schedule (After First Five Purchase Transactions):

- **HPT-Sourced Purchase Leads:** 50% to Agent; 50% to HPT.
- **Agent-Sourced Purchase Leads:** 75% to Agent; 25% to HPT.
- **Lease Transactions:** 75% to Agent; 25% to HPT, regardless of lead source.
- **Note**: In an effort to focus agents on Purchase Transactions, HPT Success Team will only upload lease documents for compliance. They do not draft leasing documents or screen tenants. These are the sole responsibility of the Agent.

For all listing marketing costs not provided by HPT, the agent & squad leader will split marketing costs proportionally based on their respective commission splits, unless otherwise agreed in writing.

Note: The Agent's Squad Leader is compensated exclusively from HPT's portion of the Team Split. For each closed transaction during the Agent's Associate Tier period, HPT shares with the Squad Leader as follows:

- ***First 5 Deals:*** *50% of HPT's Net Team Split.*
- ***Ongoing (while an Associate):*** *30% of HPT's Net Team Split.*
- ***For the 12 months after Associate promotes to Partner Member:*** *10% of HPT's Net Team Split.*
- *Net Team Splits do not include administrative costs and are after any ISA investments or referral fees.*

The Agent's net commission is never additionally reduced to pay the Squad Leader. HPT also covers all investments associated with HPT's Inside Sales Agent (ISA) Team, including lead qualification, appointment setting, and agent introduction.

Sample Associate Math

The examples below assume no referral fees and illustrate how HPT's Team Split is allocated internally.

Transaction Type	Split to Agent	Split to HPT	Split to Squad Leader
First five closed purchase transactions	50%	25%	25% *(50% of 50%)*
After first five closed purchase transactions, before Partner Membership, HPT Sourced	50%	35%	15% *(30% of 50%)*
After first five closed purchase transactions, before Partner Membership, Agent Sourced	75%	17.5%	7.5% *(30% of 25%)*
Lease transactions	75%	17.5%	7.5% *(30% of 25%)*

- **Listing Investments:** For listings, HPT will cover investments related to ISAs & additional lead opportunities, Success Team for administrative and transactional support, in-house comp tool, signage (including the sign itself, installation, removal & storage) as well as online marketing investments, listing boxes and presentation kits & listing portals. The Agent is responsible for the investment in professional photography, video, floorplans, printed material, any other listing-related expenses, such as supras, open houses, private events, necessary technology tools and office necessities, such as computers, ipads, printer & binding equipment. Vendors must be HPT approved, as does the photography/marketing plan, to ensure consistency in all marketing standards.
- **Buyer Investments:** For buyers, HPT will cover investments related to ISAs & additional lead opportunities, Success Team for administrative and transactional support, buyer kits, and in-house comps tool. The Agent is responsible for the investment in client relationships, such as meals, if appropriate, and office equipment as necessary, such as printer & binding equipment.

SECTION 3: PARTNER MEMBER

An Agent promotes to Partner Member by specific appointment from the Team Leader OR on the **first day of the month immediately following** satisfaction of either of the following criteria:

Production-Based Qualification
The Agent closes **$5,000,000 or more in total sales price volume** within a rolling twelve (12) month period.

- Volume includes **closed sales transactions** where the Agent is the lead owner while affiliated with HPT.
- **Personal Deals are excluded** from this calculation.
- Volume is determined solely by **closed transactions**, not pending or executed contracts.
- Any existing transactions under contract but not yet closed at the time of Agent promotion will honor the agreement with the squad leader, regardless of closing date and will be governed by the associate splits above.

Attraction-Based Qualification
The Agent joins Real Brokerage and designates an HPT member as their sponsor and then attracts ten (10) licensed real estate agents to Real Brokerage who: 1) adhere to the HPT & Real Brokerage value system (Accountability, Care, Coachability, Knowledge, Transparency) and 2) select the Agent as their sponsor. Co-sponsored agents count as 0.5 credit each.

Partner Member Splits by Transaction Value and Lead Source:

To recognize that smaller-priced transactions generate a lesser total commission, and to standardize & align team economics, Partner Tier splits are adjusted by transaction value and lead source. These net pay-outs are subject to REAL & HPT caps, splits and transaction fees.

Transaction Value	Split to AGENT if HPT Sourced	Split to AGENT if Agent Sourced
$199,999 or less (including leases)	85%	85%
$200,000 - $299,999	75%	75%
$300,000 - $499,999	65%	75%
$500,000+	50%	75%

- **Effective Date:** Partner Splits apply to **transactions that close on or after the first day of the month following qualification**. Example: If the Agent meets the $5,000,000 threshold during June, Partner Splits apply to closings beginning July 1.
- **Maintenance:** Partner Membership is maintained so long as the Agent continues to close **an average of $5,000,000 or more in total sales price volume over a rolling twenty-four (24) month period**, measured monthly.
- **Listing Investments:** For listings, HPT will cover investments related to ISAs & additional lead opportunities, Success Team for administrative and transactional support, in-house comp tool, signage (including the sign itself, installation, removal & storage) as well as online marketing investments, listing boxes and presentation kits & listing portals. The Agent is responsible for the investment in professional photography, video, floorplans, printed material, any other listing-related expenses, such as supras, open houses, private events, necessary technology tools and office necessities, such as computers, ipads, printer & binding equipment. Vendors must be HPT approved, as does the photography/marketing plan, to ensure consistency in all marketing standards.
- **Buyer Investments:** For buyers, HPT will cover investments related to ISAs & additional lead opportunities, Success Team for administrative and transactional support, buyer kits, and in-house comps tool. The Agent is responsible for the investment in client relationships, such as meals, if appropriate, and office equipment as necessary, such as printer & binding equipment.

SECTION 4: REFERRALS (for Associate & Partner Members)

Outbound Referrals: General Policy & Compliance: All outbound referrals must be executed via a standard Broker-to-Broker Referral Agreement in accordance with TREC regulations and Real Brokerage policies.

Referral fees are paid to the Brokerage, not directly to the Agent or HPT, and will be disbursed according to the splits outlined below.

Outbound Referrals: Agent-Sourced Leads: For any Agent-Sourced Lead referred to an outside broker, the Agent may select the receiving agent. HPT will waive its standard Team Split, meaning the Agent retains 100% of the team's portion of the received referral fee (net of any standard Real Brokerage caps or transaction fees).

- **HPT Vetted Network Option:** While not required, Agents are highly encouraged to utilize HPT's vetted, cross-country referral network. Utilizing this network saves the Agent time sourcing a trusted partner, and the HPT Success Team will manage all associated referral paperwork on the Agent's behalf. If the Agent chooses not to use the HPT network, the Agent is solely responsible for processing their own referral paperwork through Real Brokerage. If the Agent chooses the HPT Vetted Network, the net referral fee will be split **50% to HPT and 50% to the Agent**.

Outbound Referrals: HPT-Sourced Leads: If an Agent determines that an HPT-Sourced Lead requires an outside referral (e.g., out of market area or a specialized commercial transaction), the referral must be assigned to a partner designated by HPT and coordinated exclusively by the HPT Success Team. When the referral fee (typically 25% of the outside broker's commission) is received by Real Brokerage, the net referral fee will be split **50% to HPT and 50% to the Agent**.

Inbound Referral Acceptance & Agent Discretion: Inbound referrals from outside brokerages are a common and valuable source of business. However, because they carry an off-the-top referral fee, working an inbound referral is strictly at the Agent's discretion. The Agent may choose to accept and work the lead, or decline it. If declined, the lead must be immediately returned to the HPT CRM and flagged to the ISA Department for assistance, so the lead can properly be reassigned. Failure to do so or "dropping the ball" that results in negative reputation to HPT are grounds for termination.

Inbound Referral Processing & Compliance: All inbound referral agreements must be:

1. Signed by the HPT Team Leader and the State Broker for Real Brokerage. Agents are not authorized to sign referral agreements on behalf of the brokerage or team.
2. Promptly and accurately marked as an inbound referral within the HPT CRM system, noting the referral fee percentage in the appropriate field.

Inbound Relocation Company Referrals: Relocation transactions involve complex third-party requirements and often carry significantly higher referral fees. Therefore, any inbound referral originating from a corporate relocation company must receive explicit, written approval from the Team Leader prior to acceptance. Furthermore, all relocation deals will involve coordination with Real Relocation to ensure compliance with the brokerage's specific relocation policies.

SECTION 5: ADMINISTRATIVE & TRANSACTION INVESTMENTS & POLICIES

- **Client Admin Investment:** HPT assesses a $595 investment per transaction to all clients for administrative & transaction services.
- **HPT Investments into Agents:** HPT will fund the Associate or Partner Agent's post-cap transaction investments at Real Brokerage (currently $285 per transaction).
- **Personal Deals:** The Agent may complete up to two (2) Personal Deals per 24 months without paying standard Team Splits. For these transactions, the Agent is only responsible for the $595 administrative investment (which the Agent may pay out-of-pocket or charge on the Closing Disclosure). Furthermore, HPT will not cover the $285 Real Brokerage post-cap transaction investment if applicable. Corporate Relocation or transactions involving outside brokerage referrals are not eligible for this exemption. Personal deals must be approved in advance and Agents may not list their own home.
- **E&O Insurance:** E&O insurance is the responsibility of the Associate and Partner Agents. In the case multiple Agents co-work a deal, the investment will be split between the agents pro rata. HPT will not bear E&O costs.
- **Marketing Materials:** HPT will cover the cost of business cards and listing sign riders for Agents who have achieved Partner Member status. Associate Members are responsible for purchasing their own business cards and listing sign riders until they reach Partner level.

SECTION 6: CRM & LEAD OWNERSHIP FOR ASSOCIATE & PARTNER MEMBERS:

- **Data Retention:** All leads must be logged and will remain in the HPT CRM system permanently to maintain complete client records for compliance, accountability and transparency. All contacts and leads added by the Agent to the HPT System will remain in the HPT system, surviving membership within HPT.
- **HPT Resources:** Associate & Partner Agents must conduct 100% of their real estate transactions with the Houston Properties Team. HPT resources, systems, branding, and tools may not be used for outside, non-HPT business. Unauthorized use is grounds for immediate removal.

SECTION 7: IF OUR AGREEMENT CONCLUDES (SEPARATION POLICY):

Either party may terminate this agreement by providing written notice. Upon termination:

- **Agent-Sourced Leads (Sphere of Influence):** The Agent retains the right to solicit and communicate with their own Agent-Sourced Leads. If an Agent-Sourced Lead does not have an active representation agreement or executed contract at the time of termination, the Agent owes no future Team Split to HPT for that client.
- **HPT-Sourced Leads:** HPT-Sourced Leads remain the exclusive property of HPT. If an Agent closes a transaction with an HPT-Sourced Lead, regardless of whether it is under an agreement at the time of departure, within two (2) years after termination, the standard Team Split remains payable to HPT.
- **Active Pipeline:** HPT may allow the Agent to continue servicing assigned HPT Leads currently under contract at its sole discretion.
- **Separation Process:** Upon termination, HPT will determine a Separation & Client Communication Plan, focused on the best interest of the client. Agent-sourced transactions under contract will remain with the Agent, close at Real Brokerage & be paid in accordance with this Agreement. HPT-sourced transactions under contract (including buyer representation agreements & referrals) will also be paid in accordance with this Agreement. HPT, at sole discretion, will determine

whether the Agent continues servicing an HPT-Sourced transaction or HPT assumes responsibility for final completion.

- **Marketing & Conduct:** Neither party shall make statements intended to disparage the other party or harm their professional reputation. This agreement extends beyond the termination of this agreement by either party. The Agent must remove all HPT branding from marketing materials, including all online presence.
- **HPT Property:** Any property or supplies that are the property of HPT will be returned to HPT within 7 days of separation.

SECTION 8: INDEPENDENT CONTRACTOR STATUS

- The Agent is an independent contractor and is not an employee of HPT or its Broker.
- HPT will not withhold taxes from any payments made to the Agent unless required by law. The Agent is solely responsible for all federal, state, and local tax obligations.
- The Agent must comply with all applicable laws and professional standards, including but not limited to: The Texas Real Estate License Act, TREC Rules, the NAR Code of Ethics, TAR, HAR and MLS policies, and any HPT-adopted standards.
- The Agent agrees to indemnify, defend, and hold harmless HPT for any and all damages or expenses incurred due to any dispute arising from leads provided to the Agent or the Agent's activities under this Agreement.

SECTION 9: STANDARDS & OPERATIONAL PRINCIPLES FOR ASSOCIATE AND PARTNER MEMBERS:

We prioritize Agent Alignment, Flexibility & Sustainability, grounded in our core values: **Accountability, Care, Coachability, Knowledge and Transparency.**

- **Onboarding:** New Associates will complete an agreed-upon 30/60/90 Day Onboarding Plan with their Squad Leader.
- **Branding & Social Media:** Follow all TREC-required marketing guidelines and identify "Houston Properties Team" in all online profiles and posts. Use your @HoustonProperties.com email for all business. Ensure all social media and branding reflect our values.
- **Customer Care & Accountability:** Determine the cadence of appropriate communication with your clients up front & be accountable to the communication process to which you have agreed. The minimum standard of communication is the TREC 2-day rule; that rule should always be exceeded.
    - If your current schedule does not allow for the level of care & communication a client requires, discuss the situation with the ISA team and refer the client to another agent who can provide the necessary service.
    - Should a situation arise where the customer is inappropriate, harassing or offensive, please alert the ISA Team immediately. Our expectation is that the clients in which we serve use the Golden Rule as it relates to their relationship with you. We will not tolerate inappropriate behavior from a consumer, nor should you.
- **Process & Toolkits:** We provide "gold standard" programs for buyers and sellers. While not mandated, using these HPT toolkits is highly recommended to ensure the highest level of expert service. Please learn the tools and dialogues that enable you to communicate value and deliver client care.
- **Fees & Expenses:** HPT covers team-provided services, marketing and toolkits as outlined in this agreement. Agents are responsible for their individual professional expenses as included in this document, along with associated business expenses (e.g., HAR dues, MLS fees, personal licensing,

professional education, general liability insurance, etc.). If you are unclear on the financial expectations as an independent contractor, please clarify prior to signing this agreement.

- **Training & Meetings:** We ask for a commitment of one 30-minute training session per week (via Zoom) and encourage attendance at our monthly in-person team meetings and ongoing events. You are an independent contractor and are able to determine your involvement, but participation is highly encouraged to maximize your growth and knowledge.
- **Brokerage/Compliance:** Agent agrees to attend regularly planned Real Brokerage or TREC compliance meetings. In keeping with the Team's values of knowledge and accountability, each Agent is responsible for staying informed of and complying with applicable industry changes.
- **Confidentiality:** Agent will be privy to confidential information of the Team, including client and lead data, business systems, and the terms of this Agreement ("Confidential Information"). The Agent agrees to use this information only for Team business and not disclose it during or after this Agreement. Upon termination, the Agent will return or delete all Confidential Information. If a concern arises regarding this section, the Team may take reasonable steps to protect its information as allowed by law.

Effective Date: ______________________

______________________________	____________________
Signature of HPT Representative	Signature of Agent
Paige Martin, Team Leader	Agent Name:
Broker Associate	Agent Phone:
Houston Properties Team	Agent Email:
Real Brokerage	Agent Address:

EXHIBIT A – HOW YOU GET PAID

Quick summary. Membership Agreement controls if there is any conflict between these documents.

MEMBERSHIP TIERS
- Associate Member – begin your journey here
- Partner Member – earned through production or attraction.

ASSOCIATE PAY – FIRST FIVE PURCHASE TRANSACTIONS
- 50% to Agent / 50% to HPT.
- Applies to all lead sources.
- Personal Deals excluded.

ASSOCIATE PAY – AFTER FIRST FIVE TRANSACTIONS
- **Purchases:** HPT Sourced: 50% Agent / 50% HPT. Agent Sourced: 75% Agent / 25% HPT.
- **Leases:** 75% Agent / 25% HPT. Lead source does not matter. HPT handles compliance upload only.

SQUAD LEADER COMPENSATION (FROM HPT SHARE ONLY)
- First 5 deals: 50% of HPT share.
- Ongoing Associate: 30% of HPT share.
- First 12 months after Partner promotion: 10% of HPT share.

PARTNER QUALIFICATION, TWO PATHS
- **Production:** $5,000,000+ closed sales price, rolling 12 months.
- **Attraction:** Join REAL as a member of the REAL Edge Network, choose an HPT member as your sponsor. While with HPT, attract 10 licensed agents.

PARTNER TEAM SPLITS
- ≤ $199,999: 85% to Agent if HPT Sourced / 85% to Agent if Agent Sourced
- $200k–$299,999: 75% to Agent if HPT Sourced / 75% to Agent if Agent Sourced
- $300k–$499,999: 65% to Agent if HPT Sourced / 75% to Agent if Agent Sourced
- $500k+: 50% to Agent if HPT Sourced / 75% to Agent if Agent Sourced
- Splits apply to gross commission before caps or fees.

FEES & PERSONAL DEALS
- Client admin fee: $595 per transaction.
- Real Post-cap transaction fee: $285 per transaction (paid by HPT except on Personal Deals).
- Up to 2 Personal Deals per 24 months with no Team Split.

KEY TAKEAWAYS
- Your commission is never reduced to pay Squad Leaders or ISAs.
- All leads live in the HPT CRM.
- HPT Sourced leads remain HPT property.
- Ask questions if you're unclear!

EXHIBIT B – WHAT WE OFFER YOU

Quick summary of HPT's investment in your success.

LEAD GENERATION & ISA SUPPORT

- **Steady Lead Flow:** HPT generates 600-700 new opportunities monthly with a database of 36,000+ prospects.
- **Dedicated ISA Team:** A full-time Inside Sales Agent (ISA) team that qualifies leads, sets appointments, and introduces you to clients.
- **HPT-Sourced Leads:** High-intent leads generated through HPT's industry-leading AI & SEO and marketing efforts.

MENTORSHIP & PROFESSIONAL DEVELOPMENT

- **The Squad Leader Program:** A formalized mentorship structure providing guidance from experienced team leaders.
- **Shadowing Opportunities:** Direct mentorship and shadowing on client appointments to refine sales skills.
- **Career Progression Path:** A clear, defined pathway from Associate Member to Partner Member.

MARKETING & CLIENT COLLATERAL

- **Extensive Buyer Guides:** Access to 34 comprehensive buyer guides.
- **Premium Listing Presentations:** Data-driven presentation materials highlighting our track record of selling homes faster and for more money.
- **Automated CMA Comps Tool:** Proprietary tools for generating automated, accurate comparables for both buyers and sellers.
- **Pre-Written Email Templates:** A library of 2,837 optimized email templates for every stage of the client journey.
- **Client Newsletters:** Three professionally curated newsletters sent monthly to keep your sphere engaged.

BRAND, EXPOSURE & EVENTS

- **Social Media Team:** Professional social media support and brand amplification.
- **Listing Marketing & Portals:** Comprehensive marketing for your listings across major real estate portals.
- **Client Events:** Access to team-hosted client appreciation and networking events.
- **Team Awards:** Leverage of HPT's recognized industry awards to build immediate trust and credibility with clients.

OPERATIONAL & ADMINISTRATIVE LEVERAGE

- **Administrative Support:** Back-office leverage and transaction coordination to free up your time for revenue-generating activities.
- **Vetted Vendor Network:** Immediate access to our highly curated list of trusted, reliable industry vendors and contractors.

EXHIBIT C – RECOMMENDED OFFICE SETUP

Overview: A professional, efficient, and comfortable workspace is critical to your success as an agent. Having the right tools will help you manage transactions smoothly, communicate effectively with clients, and maintain high productivity. Here's what we recommend you have.

1. Technology & Hardware

- **Computer & a Tablet:** A fast, reliable laptop (for mobility at showings and open houses) paired with a docking station for your home/main office.
- **Dual Monitors:** Highly recommended. Having two screens (or one large ultrawide monitor) allows you to view MLS listings on one screen while writing contracts or communicating with clients on the other.
- **High-Speed Internet:** A stable, high-speed connection is non-negotiable. If working from home, a wired Ethernet connection to your primary workstation is preferred for reliability during important virtual meetings.
- **Webcam & Microphone:** A high-definition webcam (1080p minimum) and a dedicated microphone or high-quality headset. Professional audio and video are essential for virtual client presentations, listing appointments, and team meetings.
- **Binder, Printer & Scanner:** While real estate is largely paperless, a reliable laser printer and a fast document scanner are still necessary for handling earnest money checks, wet-signature documents, and marketing materials.

2. Ergonomics & Furniture

- **Desk:** A spacious, clutter-free desk. A sit-stand desk is highly recommended to maintain energy levels and focus throughout long days of lead generation and contract writing.
- **Ergonomic Chair:** Invest in a highly adjustable, supportive ergonomic chair. You will spend significant time at your desk; proper back and neck support is vital for long-term health.

3. Environment & Lighting

- **Dedicated, Quiet Space:** Ensure your workspace is in a quiet area free from household distractions, with a professional, clean background for video calls.
- **Lighting:** Good lighting is crucial for video conferencing. Position your desk facing a window for natural light, or invest in a ring light/key light to ensure you are clearly visible and well-lit on camera.

4. Software & Organization

- **Filing System:** A physical filing cabinet for hard copies (secure and lockable) alongside a well-organized digital cloud-storage structure (Google Drive, Dropbox, etc.).
- **Backup System:** An external hard drive or automated cloud backup service to ensure you never lose important transaction files or client databases.

5. Seller Box Preparation Supplies

- **Printing & Binding Materials:** Quality 32 lb laser printer paper (for the main kit), resume paper (for the cover letter), and a thermal binding machine to assemble the kits.