

NIREIN FAQ's

What does NIREIN stand for?

Northern Illinois Real Estate Information Network (NIREIN). The mission of NIREIN is to service you and the consumer with the most unique and creative real estate opportunities available.

What is NIREIN?

NIREIN is a real estate referral and holding company in the State of Illinois whose purpose is to hold real estate licenses. It is a wholly owned subsidiary of the Chicago Association of REALTORS® meant as a service to our member brokers who do not have access to a holding company of their own. While in the holding company licensees no longer have to pay state, national, or local dues. However, they are no longer able to practice real estate, but instead work on a referral basis only. Placing an agent's license in NIREIN takes their license out of active REALTOR® practice.

If my license is in a holding company, do I still need to take CE courses?

Yes. Although you are unable to actively practice real estate while in a holding company, you still need to maintain an active license to refer transactions and receive compensation for it.

Will I still have access to the MLS/MRED service?

No. Once in holding you are no longer a REALTOR® and lose the benefits of being a REALTOR® such as having access to the MLS/MRED service.

What is the referral process?

- The referral is given to the broker of NIREIN, who is currently Amanda Withrow.
- Amanda will then find an agent to represent the customer unless the agent already has someone in mind they want the referral to go to.
- Amanda will negotiate a referral fee with the agent and once accepted the referral information is given to that agent.
- Once the transaction has closed, the negotiated referral fee will be split between the agent being sponsored by NIREIN and NIREIN. Please refer to our Independent Contractor Agreement for this commission split.

What is the process for when I want to transfer my license to another broker?

The process is the same as with any broker. Upon request, your license will be signed off on and given to you. It can be mailed or you can pick up at our 430 N Michigan Ave., Ste. 800 location.

Can I work for my current broker while I have my license on hold with NIREIN?

The License Act does not allow for a licensed agent to work for more than one broker at the same time. Therefore, you will only be able to work under your current broker or have your license with NIREIN.

How do I join?

In order to join NIREIN, mail the following five (5) items to NIREIN, 430 N. Michigan Ave., Ste. 800, Chicago, IL 60611 or drop the materials off at any of our 2 C.A.R. offices:

- 1) Signed Independent Contractor Agreement (located below)
- 2) Signed off license. Should signed off license not be available, please provide written explanation as to why not.
- 3) Include a check payable to NIREIN for appropriate fees.
- 4) Include a check made payable to IDFPR for appropriate fees: if currently being sponsored and you are in good standing, the cost should be \$25 to transfer your license. If you have not yet been sponsored, the cost will be \$125. To confirm the amount that you owe, please contact IDFPR at 800.560.6420.
- 5) Completed License Holder Information Form (located below)

The information above can be mailed to:

NIREIN
430 N. Michigan Ave., Ste. 800
Chicago, IL 60611

Or it may be dropped off at any of our 2 conveniently located offices.

Should you have any questions, please contact Membership at 312.803.4900.

APPLICATION PACKAGES WHICH DO NOT INCLUDE THE (5) ITEMS ABOVE WILL BE RETURNED TO SENDER.

License Holder Information Sheet

Name: _____

Member id#: _____

Current Company you are with: _____

Do they have a holding company of their own? _____

Your Current Address: _____

Social Security # _____

License # _____

Contact phone #s: _____

Home: _____

Cell: _____

Work: _____

Fax: _____

E-mail: _____

REAL ESTATE BROKER INDEPENDENT CONTRACTOR AGREEMENT

This **REAL ESTATE BROKER INDEPENDENT CONTRACTOR AGREEMENT** is dated as of the ____ day of ____, 20__ ("**Effective Date**"), and is by, between, and among the **Northern Illinois Real Estate Information Network**, an Illinois corporation and wholly-owned subsidiary of the Chicago Association of Realtors® ("**NIREIN**"); and _____ ("**Broker**") (NIREIN and Broker are sometimes hereinafter collectively referred to as the "**Parties**").

IN CONSIDERATION OF the recitals and the mutual covenants and agreements set forth herein, and pursuant to the powers and authority set forth in the Real Estate License Act of 2000, as amended, 225 ILCS 454/1 *et seq.* ("**License Act**"), and all other applicable laws, the Parties agree as follows:

Section 1. Recitals.

A. NIREIN is a duly licensed "Sponsoring broker" as that term is defined by, and pursuant to, the provisions and conditions of the License Act.

B. Broker is a duly licensed "Broker" as that term is defined by, and pursuant to, the provisions and conditions of the License Act.

C. Broker has no current employment with, or sponsorship by, any other broker, and Broker desires to be sponsored by and associated with NIREIN as an independent contractor in order to continue to participate in real estate activities on a limited basis as authorized under the License Act and as provided in this Agreement.

D. NIREIN desires to enter into this Agreement with Broker to provide for, among other things, the establishment of Broker's association with, and sponsorship by, NIREIN, and the financial terms pursuant to which NIREIN will continue to sponsor Broker under the License Act in connection with the sale, rent, trade, or leasing of real estate.

Section 2. Transfer of Broker License to NIREIN.

Within 30 days after the execution of this Agreement, the Parties shall each individually and collectively, as the case may be, take all actions necessary, including specifically, but without limitation, all of the actions required pursuant to the License Act to establish Broker's association with, and sponsorship by, NIREIN.

Section 3. Broker Restrictions and Requirements.

The following restrictions shall apply from and after (i) the date on which Broker's employment and association with, and sponsorship by, any broker other than NIREIN has been terminated pursuant to the terms and conditions of this Agreement and the License Act; and (ii) the date on which Broker's association with, and sponsorship by, NIREIN has been established pursuant to the terms and conditions of this Agreement and the License Act (collectively, "**Transfer Date**"):

A. Except through NIREIN and pursuant to this Agreement, Broker shall not perform any activities or functions in connection with or related to the sale, rent, trade, or leading of real estate, including, without limitation, any personal purchase or sale real estate transaction or For Sale By Owner transactions.

B. Broker shall not perform any activities or functions on behalf of any broker other than NIREIN in connection with or related to the sale, rent, trade, or leasing of real estate.

C. Other than the compensation from NIREIN as provided in this Agreement, Broker shall not accept compensation from any other broker or real estate professional for the performance of any activities under the License Act in connection with or related to the sale, rent, trade, or leading of real estate, including, without limitation, any secretarial, computer, or any work for which federal income taxes are reported or withheld.

D. Broker shall not enjoy or utilize (i) use of the term REALTOR®; (ii) access to the office, equipment, or computer link to the Multiple Listing Service (“**MLS**”) of any broker other than NIREIN; and (iii) any other rights, privileges, or benefits obtained or held by Broker as a result of Broker’s employment and association with, and sponsorship by, any broker other than NIREIN prior to the Transfer Date.

E. Broker shall engage in real estate activities only on a limited basis and shall not be actively involved in real estate activities on a full-time basis.

F. All correspondence and forms used by Broker, or presented to clients, related to any real estate transaction under this Agreement shall be subject to NIREIN's review and approval.

G. Broker shall not use Broker's real estate license to directly list or show property for sale, rent, trade or lease. Broker shall submit to NIREIN any prospects and/or referrals for the purchase, rent, trade or lease of real estate.

Section 4. Real Estate License and Dues.

A. Broker shall pay the entire cost of Broker's Illinois license required under the License Act. Broker shall also comply with all continuing education requirements, and shall pay all costs relating to all continuing education, necessary to comply with the License Act.

B. Broker shall pay to NIREIN on the Effective Date of the Agreement and on each annual anniversary date of the Effective Date a non-refundable sponsoring broker fee ("**Sponsoring Broker Fee**"). The Sponsoring Broker Fee as of the Effective Date is \$90.00. The Sponsoring Broker Fee may be increased or decreased in NIREIN's sole discretion. Any increase or decrease shall not change Broker's obligation to pay the Sponsoring Broker Fee as provided in this Subsection.

C. Broker shall pay any fees or costs related to any associations, membership organizations or trade associations to which Broker belongs.

D. Broker shall not furnish to any person, firm, company, or corporation any information related to NIREIN's clients, customers, properties, prices, terms of negotiations, policies or relationships with clients and customers, or any other information concerning NIREIN or its business operations. Broker shall not remove from the files or from the office of NIREIN any maps, books, or publications, cards, or records, investor or prospect lists, or any other material, files or data. Broker acknowledges that these records and information are the sole property of NIREIN. NIREIN will provide Broker upon request Photostats of certain instruments pertaining to transactions in which Broker materially participated and has a bona fide interest. The terms of this Subsection shall survive the termination of this Agreement.

Section 5. Referrals and Commissions.

A. At all times after the Transfer Date, Broker shall forward to NIREIN any referral or lead that Broker obtains relating to a prospective buyer or seller of real estate, or the rental or leasing of real estate ("**Referral**"). All Referrals forwarded to NIREIN shall include as much detailed information about the Referral as is reasonably available and shall be administered in accordance with this Agreement. NIREIN may reject any Referral submitted by Broker in NIREIN's sole discretion.

B. NIREIN will pay to Broker a referral fee ("**Referral Fee**") equal to 70 percent of the referral fee that NIREIN is entitled to and actually receives for its part in the completion of a real estate transaction resulting from a Referral ("**Real Estate Transaction**"). Subject to the provisions of this Section, the Referral Fee under this Subsection when earned and paid to NIREIN, shall be divided between NIREIN and Broker, after deduction of all expenses, as specified in this Section. NIREIN shall notify Broker of any change in the Referral Fee schedule.

C. If one or more other salespeople have agreements like this Agreement and have the right to a Referral Fee for a Referral related to a Real Estate Transaction for which Broker under this Agreement has the right to a Referral Fee, the amount of the Referral Fee for the Real Estate Transaction (50 percent), shall be

divided equally among the salespeople or as otherwise agreed by the salespeople pursuant to a written agreement with NIREIN.

D. NIREIN will not be responsible for any Referral Fee unless and until the Referral Fee that NIREIN is entitled to is actually received by NIREIN and unchallenged. NIREIN will pay Broker the Referral Fee required under this Section as soon as practicable after actual receipt by NIREIN of the Referral Fee related to the Real Estate Transaction and after the conclusion of any proceeding challenging in any way NIREIN's right to the Referral Fee related to the Real Estate Transaction.

E. The Referral Fee is subject to reduction by NIREIN in an amount necessary for NIREIN to be reimbursed for any expenses that NIREIN incurs in the collection of the commission or fee that NIREIN is entitled to with regard to any Real Estate Transaction that resulted from a Referral.

Section 6. Broker Status.

A. This Agreement does not constitute a hiring by either Party. The Parties are and shall remain independent contractors bound only by the provisions of this Agreement. This Agreement shall not be construed as a partnership, and neither Party shall be liable for any obligation incurred by the other Party except as explicitly provided in this Agreement.

B. NIREIN shall not withhold from Broker's Referral Fee any amounts for withholding or employment taxes or any other amounts except as provided in this Agreement. Broker shall not be treated as an employee for federal and state tax purposes and is responsible for the payment of any and all federal and state taxes based upon any money or value received under the terms of this Agreement. NIREIN will not make any premium payments or contributions for any workmen's compensation or unemployment compensation for or on behalf of Broker.

Section 7. Compliance.

NIREIN and Broker shall comply with all law, regulations, codes of conduct, and ethical rules applicable to real estate transactions, including, without limitation, the License Act and all rules and regulations issued under the License Act. Broker shall also specifically comply with all applicable fair housing, anti-discrimination, and anti-trust laws, rules, and regulations.

Section 8. Term; Termination; Pre-Termination Referrals.

A. Effective Date. This Agreement will be effective as of ____, 20__.

B. Term. This Agreement will continue in full force and effect from the Effective Date until terminated by either Party. Either Party may terminate this Agreement at any time with 10 days advance written notice to the other Party.

C. Upon any termination of this Agreement, NIREIN will sign off and return Broker's license to the appropriate State of Illinois agency as provided in the License Act and applicable regulations. If NIREIN has not received Broker's license upon termination of this Agreement, then NIREIN will send a "letter of termination" or other required correspondence to the appropriate State of Illinois agency as provided in the License Act and applicable regulations in order to officially notify the agency of, and to effectuate, the termination of NIREIN's sponsorship of Broker and Broker's license.

D. After any termination of this Agreement, NIREIN shall continue to own and work on any referrals that Broker has submitted to NIREIN prior to the termination of this Agreement ("**Pre-Termination Referrals**"). Broker shall provide reasonable assistance to NIREIN with regard to any Pre-Termination Referrals. Broker will be entitled to compensation pursuant to Section 5 of this Agreement with regard to Pre-Termination Referrals notwithstanding the termination of this Agreement.

E. Except for Pre-Termination Referrals under Subsection D of this Section, Broker shall not be entitled to any compensation for any real estate transactions, including, without limitation, those transactions referred to NIREIN, initiated, or completed after the termination of this Agreement.

Section 9. General NIREIN Assistance.

NIREIN shall use its good faith and best efforts to regularly inform and educate Broker regarding the benefits of generating Referrals. NIREIN also agrees to use its good faith and best efforts to regularly inform Broker regarding Broker's licensure and continuing education requirements under the License Act, regulations promulgated under the License Act, and other applicable NIREIN rules and regulations. Broker shall be responsible for compliance with all applicable licensure and continuing education requirements under the License Act, regardless of NIREIN's compliance or non compliance with this Section.

Section 10. Litigation and Defense of Agreement.

A. If, during the term of this Agreement, any lawsuits or proceedings are filed or initiated against any or all of the Parties before any court, commission, board, association, bureau, agency, unit of government or sub-unit thereof, arbitrator, or other instrumentality, that may invalidate this Agreement or materially affect or inhibit the ability of any or all of the Parties to perform their respective obligations under, or otherwise to comply with, this Agreement ("**Litigation**"), the party or parties against which the Litigation is filed or initiated shall promptly deliver a copy of the complaint or charge relating thereto to the other parties and shall thereafter keep the other parties fully informed concerning all aspects of the Litigation. Such other parties may join in the Litigation in the manner and to the extent provided by law. The Parties shall use their respective best efforts to defend against all Litigation and to otherwise defend the validity of this Agreement, and all agreements executed pursuant to this Agreement, plus every portion of any such agreement and every approval given, and every action taken, pursuant thereto.

B. If any Real Estate Transaction under this Agreement results in a dispute, litigation, or any legal expense to NIREIN ("**Dispute**"), Broker shall cooperate fully with NIREIN and NIREIN will control all actions with regard to the Dispute. Broker shall notify NIREIN immediately of any transaction in which Broker is involved and where Broker has reason to believe may result in a Dispute. NIREIN, in its sole discretion, shall determine whether any such Dispute shall be prosecuted, defended, compromised or settled, and the terms and conditions of any compromise or settlement, or whether legal expense shall be incurred with regard to the Dispute. Broker, by this Agreement, grants to NIREIN the right and power of attorney in Broker's name to institute an action on behalf of NIREIN and/or Broker in a court of competent jurisdiction concerning commissions or other matters related to the conduct of the real estate business of NIREIN or any Real Estate Transaction under this Agreement.

C. Broker will, and does hereby, release NIREIN from, and agrees that NIREIN will not be liable for, and indemnifies and holds NIREIN harmless against, any liabilities, losses, or damages, or claims therefore, arising out of the terms and conditions of this Agreement, or the performance of the rights and obligations under this Agreement ("**Covered Claims**"). If any Covered Claims are asserted, Broker will give prompt written notice to NIREIN.

Section 11. Enforcement.

It is expressly understood and agreed that each of the Parties may, in law or in equity, by suit, action, mandamus, or any other proceeding, including specifically, but without limitation, specific performance, enforce or compel the performance of this Agreement. In the event of a judicial proceeding brought by either Party against the other for enforcement or for breach of any provision of this Agreement, the prevailing party in the judicial proceeding shall be entitled to reimbursement from the unsuccessful party of all costs and expenses, including any and all attorneys fees, incurred in connection with the judicial proceeding.

Section 12. General Provisions.

A. **Notices.** All notices and other communications in connection with this Agreement shall be in writing, and any notice or other communication hereunder shall be deemed delivered to the addressee thereof

when delivered in person at the address set forth below, or three business days after deposit thereof in any main or branch United States post office, postage prepaid, properly addressed to the parties, respectively, as follows:

For notices and communications to NIREIN:

Northern Illinois Real Estate Information Network
430 North Michigan Avenue
Suite 800
Chicago, IL 60611
Attention: Amanda Withrow– Managing Broker

For notices and communication to Broker:

Attention:_____

By notice complying with the foregoing requirements of this Subsection, each party shall have the right to change the address or addressee or both for all future notices and communications to such party, but not notice of a change of address shall be effective until actually received.

B. Time of the Essence. Time is of the essence in the performance of all terms and provisions of this Agreement.

C. Rights Cumulative. Unless expressly provided to the contrary in the Agreement, each and every one of the rights, remedies and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other such rights, remedies and benefits allowed by law.

D. Non-Waiver. NIREIN shall be under no obligation to exercise any of the rights granted to it in this Agreement except as it shall determine to be in its best interest from time to time. The failure of NIREIN to exercise at any time any such right shall not be deemed or construed a waiver thereof, nor shall such failure void or affect NIREIN's right to enforce such right or any other right.

E. Consents. Whenever the consent or approval of any party hereto is required in this Agreement such consent or approval shall be in writing and shall not be unreasonably withheld or delayed, and, in all matters contained herein, all parties shall have an implied obligation to reasonableness, except as may be expressly set forth otherwise.

F. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois.

G. Entire Agreement. This Agreement shall constitute the entire agreement of the parties to this Agreement; all prior agreements between the parties, whether written or oral, are merged in this Agreement and shall be of no force and effect.

H. Interpretation. This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

I. Headings. The headings, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.

J. **Amendments and Modifications.** No modifications, addition, deletion, revision, alteration, or other change to this Agreement shall be effective unless and until such change is reduced to writing and properly executed by all parties hereto.

K. **Calendar Days and Time.** Any reference herein to “day” or “days” shall mean calendar and not business days. If the date for giving of any notice required to be given hereunder or the performance of any obligation hereunder falls on a Saturday, Sunday or Federal holiday, then said notice or obligation may be given or performed on the next business day after such Saturday, Sunday or Federal holiday.

L. **No Third Party Beneficiaries.** No claim as a third party beneficiary under this Agreement by any person, firm or corporation shall be made, or be valid, against NIREIN or Broker.

M. **Assignment.** Broker will not assign or transfer this Agreement or any rights or interests in this Agreement without the advance written consent of NIREIN.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

BROKER

Signature
Broker

Date

NIREIN

Signature
Managing Broker

Date