

**RULES AND REGULATIONS GOVERNING THE
NOMINATION AND SELECTION OF WINNERS**

**ACRE'S SACRAMENTO COMMERCIAL REAL ESTATE
ANNUAL BROKER OF THE YEAR AWARDS
THURSDAY, APRIL 11, 2019**

The following are the Rules and Regulations Governing Nomination and Selection of Winners (“**Rules**”) established by the Selection Committee (“**Committee**”) for the Association of Commercial Real Estate (“**ACRE**”) Sacramento Commercial Real Estate 27th Annual Broker of the Year Awards (“**BOYA**”). The Committee is comprised of the BOYA chairperson, the co-chair (if any), the ACRE Executive Director, the ACRE Board President, and the ACRE Board President Elect. These Rules govern both the completion of the nomination forms (“**Nomination Forms**”) that are used to nominate each candidate for an award (“**Candidate**”), the Committee's determination of finalists in each category (the “**Finalists**”), and the ultimate winners in each category. The Candidate's submission of a Nomination Form, or the submission of a Nomination Form on behalf of the Candidate with the Candidate's tacit or express permission, constitutes the Candidate's agreement to be bound by these Rules and any revisions or amendments hereto made by the Committee from time to time in its sole discretion.

1. **Eligibility Requirements for Candidates.** Each Candidate must:

a. **Current ACRE Member.** Be a current member of ACRE, or have, concurrently with the submittal of the Nomination Form, submitted a online ACRE membership application at the ACRE website at www.acre.org. If renewing your ACRE membership online, the cost is \$120 annually; if joining ACRE the cost is \$145 for the first year only and \$120 annually each year thereafter. Membership status will be verified with ACRE administration. If you have questions regarding your membership status, please e-mail info@acre.org;

b. **Current Real Estate License.** Have a current California real estate license with no restrictions;

c. **90% of Time in Real Estate Brokerage Business.** Devote a minimum of 90% of his or her working time to the real estate brokerage business (managers of brokerage houses are, therefore, eligible so long as they (i) are actually involved in the transactions that they list on the Nomination Forms, and (ii) meet the other eligibility requirements set forth in these Rules); and

d. **Principal Place of Business.** Have a principal place of business and be personally located in the greater Sacramento area (that is, Sacramento, Placer, Yolo, Yuba, Sutter or El Dorado Counties). Note, however, that the transactions disclosed on the Nomination Forms need not have occurred in the greater Sacramento area (i.e., so long as the Candidate is based in the greater Sacramento area, transactions that occur elsewhere are eligible).

2. Nomination Process.

a. Nomination By Broker Manager; Independent Candidates. Candidates must be nominated by the manager of the brokerage company for which he or she works; independent Candidates may nominate themselves or may be nominated by any other broker, developer, or other person associated with the commercial real estate industry.

b. Required Email Forms & Photo Submission: **The NOMINATION FORM MUST BE SUBMITTED AS A PDF VIA EMAIL.** Due to the high volume of Nomination Forms submitted, the Committee reserves the right to disqualify any Candidate who submits a Nomination Form that: (i) is not legible when printed, (ii) contains errors in mathematical computation, or (iii) is not submitted in accordance with this Section. In order to allow Candidates to type in their information (rather than handwrite), the Nomination Form is available in MS Word from the ACRE website (www.acre.org) or via an email request sent to ACRE (info@acre.org). Following completion, the Nomination Form must be scanned as a PDF and emailed in accordance with this Section.

- **All Nomination Forms must be in PDF format and submitted electronically to: ejackson@delfinomadden.com**
- **A professional high res quality (300 dpi) color digital photo of the Candidate, in JPEG format, must be submitted electronically with the Nomination Form directly to: ejackson@delfinomadden.com**

c. Certification of Accuracy. The Nomination Form must be reviewed and certified as accurate by the Candidate. If the Candidate works for a brokerage company: (i) the Nomination Form must be reviewed and certified as accurate by the company's manager, and (ii) any questions or comments regarding the Nomination Form or the BOYA process must be submitted to the Committee by the company's manager (the Committee is under no obligation to respond to inquiries from individual Candidates).

d. Change of Brokerage Company. If the Candidate works for more than one brokerage company during the year, the Candidate's manager at the time that any given Gross Commissions were collected must certify the Nomination Form as to those transactions. In addition, if the Candidate works for more than one brokerage company during the year, all managers required to certify a Nomination Form must agree on which brokerage company will be identified with the Candidate; the Committee will not be responsible for settling any disputes which may arise between the managers with respect to the brokerage company to be identified with the Candidate.

e. Additional Information in Nomination Form. Information typically contained within a resume should be included in the Nomination Form. In addition, supporting documentation (booking sheets, vouchers, or other reasonable proof of receipt of the Gross Commissions) must accompany the Nomination Form.

f. Brokers' Choice Submission. A completed hard copy of a "Brokers' Choice Ballot," signed by the Candidate, must accompany each Nomination Form. This requires a separate Ballot, which can be obtained at www.acre.org. Candidates who are not competing in BOYA may not submit a Brokers' Choice Ballot. Brokers may not nominate themselves, or someone within their company, for the Brokers' Choice award. The "Brokers' Choice" award is a separate award that is designed to recognize the broker who, in the opinion of his/her peers:

- i. Exemplifies good brokerage practices;
- ii. Conducts himself or herself in a professional and honest manner; and
- iii. Is enjoyable to do a deal with.

3. **Award Categories**

a. Eight Categories. In addition to the Brokers' Choice Award, a total of eight awards will be given. One award will be given in each of the following categories (individually, a "Category"):

Industrial
Office
Retail
Investment (other than Multi-Family)
Land
Multi-Family
Broker of the Year
Rookie of the Year

b. Category Must be Identified. The Nomination Form must indicate the Category in which the Candidate will compete. Each Candidate may compete in *only* one Category (excluding Rookie of the Year, Broker of the Year and Brokers' Choice). All Gross Commissions can be included, even those outside the Candidate's Category, so long as at least 75% of the Gross Commissions are attributable to transactions in the Candidate's Category. For example, a Candidate competing in the Industrial Category will be permitted to have Gross Commissions attributable to *non-industrial* transactions in an amount not to exceed 25% of the Candidate's total Gross Commissions.

Examples of transactions that would be properly considered as being within the Candidate's specialty Category include, but are not necessarily limited to:

- i. The sale or lease of an office building (or land zoned for office use) by an office broker;
- ii. The sale or lease of an industrial property (or land zoned for industrial use) by an industrial broker;

- iii. The sale or lease of a retail property (or land zoned for retail use) by a retail broker;
- iv. The sale of any type of commercial property (but excluding multi-family, which is a separate Category, and land) by an investment specialist;
- v. The sale of any type land by a land specialist; and
- vi. The sale or lease of a multi-family property by a multi-family specialist.

In the case of a sale of a mixed use property (e.g., a business park with industrial and office components), the Candidate may consider the transaction as being within his or her specialty so long as at least 30% of the project's square footage is devoted to a use that is within the Candidate's specialty.

c. The following transactions cannot be included in the Nomination Form:

- i. Loans; and
- ii. Transactions in which the Candidate was a principal and prior to the consummation of the transaction, the Candidate's interest in the property exceeded 10% of the value of that property.

d. Maximum of Ten Candidates in a Category. If more than ten Candidates are nominated in any single Category, the number of Finalists in that Category shall be limited to no more than ten, based solely on Gross Commissions.

e. Gross Commission Minimum Requirement. A Candidate will be included as a Category Finalist (up to a maximum of ten Finalists per Category) if the Candidate's Gross Commissions are at least the lesser of: (i) 50% of the Gross Commission of the highest earner Candidate within that Category, or (ii) \$250,000.00. Irrespective of this rule, there shall in all events be at least three Finalists in each Category.

f. Rookie of the Year. This Category honors the Candidate who entered the commercial real estate brokerage field as a licensed agent whose compensation was entirely based on commissions for the first time after January 1, 2017 (the date of such entry is hereinafter referred to as the “**Eligibility Date**”). The Candidate need not be new to the working world, but must not have worked full-time in the commercial real estate industry for more than three years as of December 31, 2018, and not have previously competed in the Rookie of the Year category. Any agent whose compensation is a salary or a salary that is a draw against future commissions (such as might be the case of a runner), would not have an Eligibility Date until such time as he or she is entirely commission-based. The winner will be the Candidate with the highest Gross Commissions in the calendar year 2018. Any potential Candidate whose Eligibility Date is later than January 1, 2017 may elect to compete in BOYA 2018 (held in 2019), or wait to compete in BOYA 2019 (held in 2020). For example, a Candidate whose Eligibility Date is February 1, 2018, could compete in BOYA 2018 (held in 2019) using calendar year 2018

Gross Commissions, or compete in BOYA 2019 (held in 2020) using calendar year 2019 Gross Commissions). Unlike other Categories, the Candidates may include all transactions, irrespective of their product type (i.e., industrial, office, retail, investment, land, or multi-family).

4. **Determination of Category Winners.** The Candidate with the greatest Gross Commissions in each Category will be the winner for that Category; provided, however, that the Committee reserves the right, in its sole discretion, to disqualify any Candidate whose participation in BOYA would be detrimental to ACRE or to BOYA. The Broker of the Year will be picked directly by the Committee based on information supplied by each Candidate and such Candidate need not win any of the specialist Categories.

5. **Gross Commissions.** Candidates shall be judged based on “**Gross Commissions,**” which shall be the total commission dollars the Candidate **actually collected**, with no deduction for the brokerage house's split, but adjusted to exclude: (i) any commission earned by a salaried employee acting in an agent's capacity; (ii) any commission split allocated to brokers or agents within the Candidate's brokerage house, and (iii) any bonuses. Gross Commissions shall not be reduced by any payments made by the Candidate to the Candidate's employees that came out of Candidate's taxable income (in other words, what the Candidate does with his or her taxable income has no bearing on the calculation of Gross Commissions).

6. **Publication.** As evidenced by their submission of a completed Nomination Form, each Candidate is deemed to acknowledge and agree that, if such Candidate is a Finalist, the Committee may share the information contained within the Nomination Forms and other information submitted by the Candidate with The Sacramento Business Journal or any other media publication, for use in that organization's publications. Only the rank of Finalists relative to other Finalists within each Category will be published; Gross Commission amounts will not be published. The Committee and ACRE shall have no liability whatsoever for any errors, omissions or editorial decisions made in such publications.

7. **Effect of Confidentiality Agreements.** In situations where the Candidate is unable to provide all of the information required by the Nomination Form as to a particular transaction due to confidentiality or nondisclosure agreements, the names of the parties to the transaction need not be disclosed; however, the Candidate must provide as much relevant information as is permitted under those agreements, and in any event, information regarding the Gross Commissions must be completed in order for the Nomination Form to be valid, and the Nomination Form must state that the reason that the parties are not named is because of a confidentiality agreement.

8. **Verification; Errors in Nomination Form.**

a. **Verification of Information.** The Committee has the right, but not the obligation, to verify the information in the Nomination Forms, without the prior consent of the Candidate. The Candidate acknowledges and agrees that: (i) the Committee does not have the resources to verify all Nomination Forms, and (ii) the Nomination Forms submitted by any Candidate may

contain inaccurate, misleading, or incomplete information. In no event shall ACRE (or any officer, director or employee thereof) or the Committee (or any member or other representative thereof) have any liability of any kind whatsoever to any Candidate as a result of their participation in the BOYA nomination and winner-selection process.

b. **Errors in Nomination Form.** The Committee has no responsibility to determine or correct errors in the Nomination Forms. Each Candidate is ultimately responsible for ensuring that the information contained in the Nomination Form is correct, complete and submitted on time. By their submission of a completed Nomination Form, each Candidate is deemed to acknowledge and agree that any errors within a Nomination Form, or the failure to timely submit a Nomination Form, may result in his or her disqualification as a Candidate, in the Committee's sole and absolute discretion.

9. **Deadline for Submission of Nomination Forms.** Completed Nomination Forms in PDF format are to be sent to: Elizabeth L. Jackson at ejackson@delfinomadden.com and must be **received via email no later than 5pm, FRIDAY, FEBRUARY 8, 2019.**

10. **Presentation.** The awards will be presented at the BOYA event, to be held at the Hyatt Regency Sacramento on the evening of Thursday, April 11, 2019.

11. **ACRE's "Broker Mid-Year" Update.** It is expected that each BOYA Category winner will participate in ACRE's 2019 "Mid-Year Update" luncheon, to be held in July 2019, offering his or her perspective on current trends in commercial real estate. ACRE will be in contact with the BOYA winners when the official date and time is set for this event.

12. **Questions?** Any questions should be sent via electronic mail to ACRE at info@acre.org.