

Who is Keller Williams Realty?

Keller Williams is the most progressive and fastest growing national real estate company in North America. It is a great business idea whose time has come.

Keller Williams was founded by Gary Keller and his team of Austin real estate agents in 1983. In the late 1980's it expanded to San Antonio, Houston, and Dallas. In 1991, it became a franchise system and then in 1993 it opened in Oklahoma and Colorado. Today, there are over 650 offices, with more than 75,000 sales associates.

Keller Williams is expanding across the country for one very powerful reason: It is the only company truly designed BY and FOR TOP AGENTS. It supports them, gives them a voice and affords them the freedom to build and control their own businesses.

With a profit sharing pool that is growing each year at a phenomenal pace and that exceeded \$30 MILLION IN 2008, Keller Williams provides the only opportunity for agents to achieve long-term income above and beyond their own commissions. No other company offers the opportunities that are available at Keller Williams to POSITION YOURSELF FOR THE FUTURE.

The name Keller Williams is not corporate; it is personal. It is intended to support an agent's image, not compete with it. The network is national, the support is regional, and the image is local.

The opportunity is NOW for each of us to experience and participate in the tremendous growth of Keller Williams.

Keller Williams® A Paradigm Shift

Today's real estate industry is leaving behind outdated broker-focused business strategies.

Keller Williams® emphasizes associate leadership and the importance of individual real estate businesses.

Keller Williams® believes we must remain flexible and innovative in the face of an evolving market and an increasingly Internet-empowered clientele.

Keller Williams® represents a vehicle for profit, stability, and success to REALTORS®.

Keller Williams® offers a unique culture of teamwork and cooperation.

Keller Williams® offers training and consulting opportunities to grow your business.

The Fundamental Difference

Most real estate companies today operate under the belief that their associates are great because they work for a **great company.**

Keller Williams® believes it is a great company because it has **great associates.** We believe that if we build the careers of our people, they will build the company. This is the fundamental difference between **Keller Williams**® and most companies.

What are the assets of your company?

At Keller Williams® our associates and our relationship with them are the company assets.



A Proud Tradition

- In Business Since 1983
- Franchise System Since 1991
- 650 Offices North America wide
- Over 75,000 Agents Internationally
- Located in 48 States and 3 Provinces
- The Fastest Growing Real Estate Firm in the North America

Keller Williams Realty

is attracting the top agents in every market they enter.

Agents that are seeking another income source.

Local Management Support

Gary Keller, Mo Anderson and Mark Willis operate **Keller Williams**® on the principle that people make a difference. Sales Associates are considered colleagues and if Brokers concentrate on developing their people, their people will, in turn, develop their companies.

The **Keller Williams**® System and Management Support work interdependently to provide the foundation for this leading-edge career opportunity. To facilitate this forward thinking, full company support for the associate/partner is a priority.

Staff:

- Non-Competing Team Leader (TL)
- Market Center Administrator (MCA)
- Full Time Call Coordinators

Training:

- Keller Williams® University
- In House Training

Technology:

- EagentC
- Web Sites/Email
- Too many to list



Leadership From The Ground Up

The Associate Leadership Council is comprised of the top twenty percent of the Keller Williams® agent body in the Market Centers. The purpose of the Associate Leadership Council is to guarantee our associates a vehicle for giving direct input as to the operation of Keller Williams®.

The ALC is actively involved in the leadership of the company, holding ownership and management accountable to live within the budget and participates in attaining the goals of the Market Center, i.e., production, drive profit, education and standards and principles. This is **NOT** a sales meeting nor is it a complaint session.

The ALC acts as the Market Center's "Board of Directors". They are guardians of the culture. A covenant agreement of ALC responsibilities is entered into by all ALC members with their Market Center peers.

Why have an Associate Leadership Council?

The purpose of the ALC is to foster a strong partnership with ownership; accountability and agent representation.

30 Reasons for having an ALC (Board of Directors)

- 1. Share profits with "partners"
- 2. Assist in recruiting
- 3. Training vehicle for fiscal management PROFIT
- 4. Example for all associates in how a business should be run
- 5. Career development to the highest levels
- 6. Develop market
- 7. Share strategies
- 8. Hold Team Leader accountable for recruiting
- 9. Develop leaders
- 10. Drive a limited democracy
- 11. Input to achieve production
- 12. Set standards in a Market Center
- 13. Set disciplines in a Market Center
- 14. Implementation of a Market Center business plan
- 15. Develop Policy & Guidelines for the Market Center
- 16. Determine spending of an ad budget
- 17. Discuss concerns of other associates
- 18. Develop strategies to increase Market Share
- 19. Team-ify and bond
- 20. Cause associates to focus on Company Profit
- 21. Provide Leadership for subgroups (committees)
- 22. Assist in launching a Market Center
- 23. Empowerment
- 24. Set production goals
- 25. Creativity/brainstorming
- 26. Establish image not an elitist group
- 27. Enforce Policy & Guidelines
- 28. Protector of the Culture
- 29. Benchmarking/trending
- 30. Vehicle for resolving problems



"THE FIRST WEALTH IS HEALTH."

RALPH WALDO EMERSON

HEALTH PROVIDERS PROGRAM



At Keller Williams Realty, you're more than just an associate with our company, you're our family. And to us, that means fulfilling our mission to help you build careers worth having, businesses worth owning and lives worth living.

Because we realize a life worth living has to be a healthy one, we are proud to offer our Health Providers Progam.

Through MyFranchise Association and H & H Employee Benefits, the Keller Williams Realty Health Providers Program includes options for:

I.MAJOR MEDICAL COVERAGE

- a. Includes options through major national carriers, including: Aetna, Golden Rule, Assurant, etc.
- b. Customizable plans that work for you and your family
- c. Requires an underwriting process

2.LIMITED MEDICAL COVERAGE*

- a. Available through TransAmerica Insurance
- b. Guaranteed issue
- c. Covers pre-existing conditions
- d. Offers six different plans for reimbursements on basic medical expenses
 - i. Doctors Visits
 - ii. Prescriptions
 - iii. Certain costs associated with emergency room visits
 - iv. No deductibles or co-pays
 - v. Can be coupled with a Catastrophic Medical Plan

3.CATASTROPHIC COVERAGE*

- a. Offered through American National Insurance
- b. Requires an underwriting process

4.CANCER COVERAGE*

- a. When purchased with Limited Medical Coverage, this is guaranteed issue and covers some pre-existing conditions after first 12 months and requires no underwriting process.
 - *The Limited Medical, Catastrophic and Cancer Coverage options should not replace your existing Major Medical Coverage without careful evaluation. Please take the time to evaluate your current coverage and your options.

+ MYFRANCHISE ASSOCIATION ALSO OFFERS OTHER TYPES OF INSURANCE AND BENEFITS INCLUDING:

- Accident Insurance Identity Theft Protection
- Life Insurance
- Dental Insurance
- Vision Insurance
- Prescription Drug Discount Cards
- Disability Insurance Menu of Legal Services and Discounts
 - Car Insurance



GET STARTED TODAY WITH MYFRANCHISE ASSOCIATION

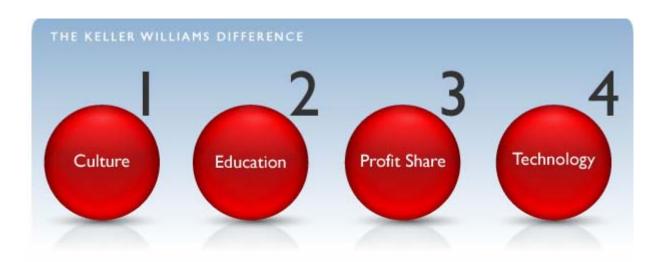
Call: 1-877-542-2072, Ext. 7 Or Visit: https://www.myplan.us/

Log-in: keller Password: williams

OUR LONG TERM VISION

A Keller Williams Realty Wellness Program for our family.

- Health Providers Program (Now Available!) Stress Management Information
- Exercise and Strength Training Information Financial and Credit Management Information
- Nutrition and Diet Information



At Keller Williams Realty, we like to think we stand out from other real estate firms in many ways, but these areas in particular define Keller Williams Realty as an industry innovator and leader: Culture, Education, Profit Share and Technology.

We focus on helping associates realize their fullest potential. You will find opportunities for growth, support for achieving your objectives and a true sense of family and belonging.



As you would expect in the industry's finest real estate company, both education and training are tailor-made for our affiliate Brokers and Associates. **Keller Williams**® Associates receive the very best in real estate education through ongoing training from **Keller Williams University**. Keller Williams® University was developed around a "learning-based belief" system.

Our International Training Initiative

- Keller Williams University was formally established in 1996.
- Offers the finest career and business training available.
- Focuses on increasing the personal productivity, sales skills and career development of its people.
- Blends the most fundamental and time-tested principles of business, marketing and customer service.
- Tangible extension of the company's ongoing commitment to learning and growth.

The **Keller Williams® University** Curriculum is based on seven curriculums delivered at a grass roots level.

Seven Curriculums:

- Sales
- Management (Team Leadership)
- Technology
- Perspective

- Mega Sales
- Ownership
- Life

Personal Development:

- Mastermind Groups
- Peer Partnering
- Training

- One-On-One Consulting
- Shadowing

WE ARE COMMITTED
TO HELPING YOU BUILD YOUR CAREER

Education KWU KELLER WILLIAMS UNIVERSITY



What is KWU?

At the center of Keller Williams Realty's progressive learning-based culture is Keller Williams University. If you are looking to power your career forward, then KWU has the education you need. From books to workbooks, from self-study guides to classroom training, KWU offers industry-leading training delivered by expert trainers across North America.

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Timeless Resources

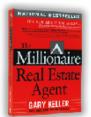
Timely Resources

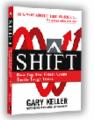
Distance Learning

Building Blocks to Success Tried-and-True Tools for Any Market

Education of the Moment Learning at Your Fingertips









"Keller Williams Realty is a training and coaching company that just happens to be in the business of real estate." -Gary Keller



KWConnect Home	Home Online Training Channels Topics	Keywords
		print close [x]
Welcome to Keller Williams Realty Agent Orientation KWU Course Supplements Breakthrough to Mastery River Mastery	Agent Mountain The Get Amp'd Show Mountain Radio Summit TV Order SHIFT	Leadership Mountain Profit Growth Productivity Culture
CAMP 4:4:3 Internet Lead Generation Lead Generation 36:12:3	SHIFT SHIFT Materials SHIFT Tour Highlights	Market Center Administrators Accounting for Business Centers E&O Reserve Account
Seller Mastery Success Series Your Business is Your Database	Technology Training Agent Websites eAgentC Tour	KW Cares Deductions KW Vital Signs Report MCA Alliance Calls MCA Skills
Agent Skills 10 Steps to Effective Marketing Agents In Action	eAgentC Upload KWLS and Greensheet My KW	Pathway to Mastery ProManage Market Center Edition
The Art of Selling Avoiding Loan Fraud	The Power of eAgentC Webinars	Productivity Coaches Coaching Versatility
Business Planning Coaching Versatility Handling Objections Insights from OPs & TLs on the Three Ls	Implementing Breakthrough to Mastery Agent Guides Implementing Seller Mastery and Buyer Mastery	Team Leaders Pathway to Mastery Team Leader Boot Camp
	KW Commercial Webinar Special Designations KW Commercial Division Luxury Homes by Keller Williams	The Team Leader Opportunity A Team Leader's Guide to Successful Sales Meetings Team Leading: The Big Rocks
Price It Right Shiffing Markets Short Sale Insights Short Sales Staging the Home Watch Your Money	Associate Leadership Council ALC Training Materials	Operating Principals Pathway to Mastery Regional Directors Mindset for Success 2009



An open-book company

At **Keller Williams**®, our books are open to our associates. On a monthly basis the Market Center financials are reviewed by our **Associate Leadership Council**.

THERE ARE NO SECRETS FROM OUR ASSOCIATES. Since we are all business partners and since we profit share together, everyone has the right to see the profit and loss statements for the Market Center every month.

BUDGET ACCOUNTABILITY. It is the responsibility and concept of the **Associate Leadership Council** that takes action and participates in holding ownership and management accountable for staying with the expense budget.

BUSINESS ACCOUNTABILITY. By allowing our associates/partners to study and understand the importance of financial statements, they can implement these same business systems and disciplines into their real estate business and personal lives.

... When was the last time your Broker showed you the financials of your company?

Why Profit Share?

80 80 80 80 80 80

At Keller Williams Realty, we are growing a Profit Share Tree because we solidly believe our associates should be treated like *stakeholders*. Profit Sharing is exactly what it sounds like. We share almost 50 percent of every Market Center's owner profit with the associates who help grow the company. We do it because that's how you treat *stakeholders*.



This belief is foundational to who we are. We truly believe that together everyone achieves more.

When a Market Center has a profitable month, those profits are split between the owners who took the risk of investing in the Market Center and the associates who helped the Market Center grow.

Profit Sharing means that any associate can become part of the growth trajectory for any Keller Williams Market Center, and can be rewarded with **passive**, **potentially long-term income** without investing any capital. You can be a part of your company's success and you are rewarded with a portion of the profits.

When Gary Keller and the first Associate Leadership Council (ALC) created the Profit Share system, they were purposely making a bold statement. Gary explains, "We created a program that would treat our real estate sales associates like legitimate partners in the business. We created a program that allows associates to build a business inside a real estate company that is as powerful as if they owned the company themselves."



Completely, Entirely, Wholly, Absolutely Passive Income

The income you can receive from Profit Share—your reward for helping the company grow—is an absolutely passive opportunity. You share in the profits of the company like an owner would, but without any personal risks or investing any capital.

- No financial risk
- No legal risk
- No down payment
- No phone calls

What is passive income?

Money that you receive without doing

to earn it.

Madison Offenhauser, Regional Director at California-Southern and California-LA Coastal, has received more than \$60,000 in Profit Share. He also receives passive income from a couple of rental properties he owns. He points out the return from the rental properties hasn't been as high as the Profit Share. "And my Profit Share is much more passive," he states. "My Profit Share didn't require 20 percent down, and it has never called me in the middle of the night because the toilets were clogged," he says with a laugh.



How Does It Work?

80 80 80 80 80 80

Let's step back to see the forest—The Big Picture of Keller Williams Profit Share. We'll review how it's calculated in a moment.

The Big Picture

- An associate joins any Market Center in Keller Williams Realty and names you as her sponsor.
- In a particular month, as part of her split, she pays Company Dollar to her Market Center.



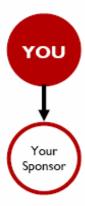
- 3. During that month, her Market Center is profitable.
- On the 21st of the following month, Profit Share is automatically deposited to your account.
 - Special Note: You are not getting a portion of the associate's commission. You are sharing in the **owner's profits**.
- When you've been a Keller Williams associate for three years and a day, you are vested. When you are vested, you could leave Keller Williams Realty and still receive Profit Share.
- 6. You can will your Profit Share to a beneficiary.

How the Tree Grows

When you joined Keller Williams Realty, you thought of one person who was primarily responsible for bringing you to the company. It may not have been the first or the last person you talked to. It was the person who was most impactful on your decision-making process.



That person was your sponsor.

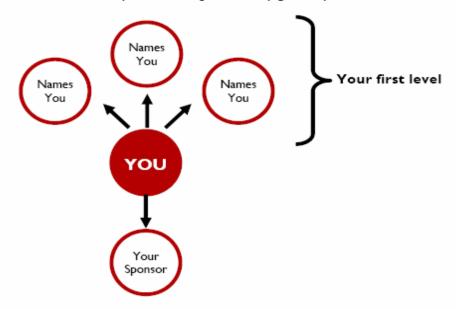


Your sponsor was asked to name the one person responsible for their joining Keller Williams Realty.

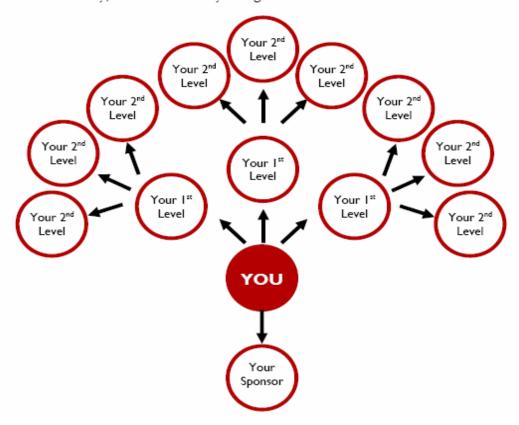


As with a family tree, we can trace sponsors in the Profit Share Tree back many levels. Currently, the Profit Share system goes back seven levels.

When someone names you as their sponsor, they go into your "first level."



If someone names one of those people as a sponsor, they go into your "second level." Currently, the Profit Share system grows seven levels.



Focus on the First Level

People who name you as their sponsor are in your first level. Though there are seven levels to the Profit Share Tree, you need only focus on developing the first level.

Though, if you wanted to get purposeful about it, you could certainly encourage people in your first level to develop *their* first level.



Time is the nourishment that grows the other levels. As people in your first level develop relationships and grow their Profit Share Trees, your tree grows. The same holds true for your second level, third level, and so on.

Althea Osborn has received more than \$2,700,000 in Profit Share.

She has a total of 5,488 associates in her tree.

Only fourteen named her as a sponsor, though. Those are the people in her "first level."



Is It Too Late?

Absolutely not! Your opportunity is now.

Now is a phenomenal time to "opt-in" to opportunity!

As the Chinese proverb states, "The best time to plant a tree was twenty years ago. The second best time is now."

Four Steps to Profit Share

Is Profit Share Real Money?

Yes, it is.

In 2008, Keller Williams Realty Market Centers distributed to their associates more than \$30 million in Profit Share.

From the beginning of the Profit Share system through the end of 2008, Keller Williams Realty Market Centers gave their associates approximately \$237.7 million in Profit Share.

Every month Market Centers split their profits, with *roughly* 52 percent going to the owners who took the risk, and 48 percent going to the associates who helped the company grow. Madison Offenhauser, Regional Director at California-LA Coastal and California-Westside LA, points out this is a very big deal. "Do you know any other real estate company that splits nearly half of its profits with its associates?" he asks. "Without any risk, associates can participate in this company as if they were owners."

Take a Closer Look

Let's take a closer look at how Profit Share is calculated. Understand it so you can understand your role as a stakeholder. Don't worry, though. You will never have to explain the math.

There are four steps to Profit Share:

- Step 1: The Market Center Calculates Profit
- Step 2: The Market Center Splits the Profit
- Step 3: The Profit Share Factor Is Calculated
- Step 4: The Profit Share Is Dispersed



On a monthly basis, the Market Center calculates profit.

Step 1: The Market Center Calculates Profit

Market Center Gross Closed Commission		\$1,070,124
Less Keller Williams Realty Royalty Fee	-	\$27,416
Equals Net Gross Commission	= -	\$1,042,708
Less Associate Commission		\$910,671
Equals Company Dollar	= -	\$132,037
Less KW Approved Expenses	-	\$58,378
Equals KW Profit (or Loss)	= -	\$73,659

Note: If there is no profit, there will be no Profit Share to distribute.

2

The Market
Center splits
the profit
between
the Profit
Share pool
and the
owners.

Step 2: The Market Center Splits the Profit

	Profit	Profit Share Pool		ner Profit
Level 1 First \$2,990 of profit	25%	\$747.50	75%	\$2,242.50
Level 2 Next \$8,250 of profit	35%	\$2,887.50	65%	\$5,362.50
Level 3 Any profit over \$11,240 (\$2,990 + \$8,250 = \$11,240)	50%	\$31,209.50	50%	\$31,209.50
Totals		\$34,844.50		\$38,814.50

Or think of it this way: roughly 52 percent of profit goes to the owners who took the risk, and 48 percent goes to the associates who helped the company grow.



The
Profit Share
Factor is
calculated
for each
Market
Center.

Step 3: The Profit Share Factor Is Calculated

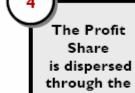
On a monthly basis, the Market Center's Profit Share Factor is determined by dividing the Market Center's total Profit Share Pool by its Company Dollar amount.

In our example, if we divide the Market Center's \$34,844.50 Profit Share Pool by its \$132,037 Company Dollar, we find a Profit Share Factor of .2639.

Step 4: The Profit Share Is Dispersed

What each associate paid in Company Dollar for a month is multiplied by the Profit Share Factor to find the amount of Profit Share that will be distributed to that associate's branch in the Profit Share Tree on the 21st of the following month.

In our example, if an associate paid \$1,800 in Company Dollar that month, we multiply that \$1,800 by .2639 to find that \$475.02 will be distributed to this associate's branch.



branches of

the Profit

Share Tree.

How the Money Grows on This Tree

Remember how the tree grows? If someone names you as their sponsor, they are in your first level. If someone names that person as their sponsor, the new person is in your second level.

And so on for seven levels.

The disbursement of profit through an associate's branch is on a tiered system. The first ALC determined these percentages. Subsequent International ALCs have considered changing them, but have ultimately agreed these numbers work best.

In the example above, if our associate is in your first level, as sponsor, you would get \$237.51 deposited into your account on the 21st of the month following these calculations. If our example associate is in your sixth level, you would get \$47.50 deposited.

Profit Share Distribution

From Your 7th Level	12.5%	x	475.02 =	\$59.38
From Your 6th Level	10%	x	475.02 =	\$47.50
From Your 5 th Level	7.5%	x	475.02 =	\$35.63
From Your 4 th Level	5%	x	475.02 =	\$23.75
From Your 3rd Level	5%	x	475.02 =	\$23.75
From Your 2 nd Level	10%	x	475.02 =	\$47.50
From Your 1st Level	50%	x	475.02 =	\$237.51
Total		10	0%	\$475.02

Example distribution for our example associate and Market Center.

Could Profit Share Be Real Money to Me?

Yes, it could.

Remember time nourishes the tree. As your levels develop, your Profit Share can grow.

Perhaps, at first, you only have one person on your first level.

Maybe you receive \$22.

That could be a free lunch with a friend.

Over time, it can grow.

Perhaps later you have two people on your first level and three on your second. Maybe you receive \$500. Perhaps that would cover your car payment.

After more time, your Profit Share Tree could continue to grow.

Maybe your Profit Sharing check grows to \$4,000.

That could be a nice vacation with your family.

Perhaps after more time, you're receiving \$22,000 a year.

Perhaps you start saving it and use it later to pay your daughter's tuition ...

wherever she wants to go to school.

What could Profit Share do for you and your family?							

What could you do for someone in need?

Profit Share is a gift—a gift that can make fresh, fulfilling opportunities possible in your life and in the lives of your loved ones. As you consider receiving the gift of Profit Share, you may want to consider giving a gift—a gift to KW Cares through automatic deductions on your Greensheets. KW Cares is a 501(c)(3) public charity that provides emergency financial assistance to KW family members who experience financial hardship due to sudden emergencies. Your gift need not be great to have a great impact. Talk with your Market Center Administrator (MCA) to set up a deduction for a donation from each of your transactions. Together, we can achieve more—and do more—for our KW family. See your MCA or www.kwcares.org for more information.

Technology Tools and Websites



EagentC, is an in-house "agent-funded, agent-driven" team of technology experts whose mission is to provide research and Internet tool development, as well as protect and develop the real estate agent's e-realty fiduciary position. Funded by agent contributions, EagentC is uniquely focused on agent technology solutions.

Keller Williams





eAgentC Agent Websites

Access the <u>Agent Web Site Administration</u> tool. It gives you step-by-step instructions and feature explanations to easily create and manage your KW Agent Website. We also have brand new traffic reports within the admin tool so you can watch your website activity.

Or start by printing off the <u>Agent Website Administration</u> <u>Tool Manual</u>

Website Traffic Report History - 2008 and past.

- Manual
- Instructional Videos
- Support
- SEO Checklist

eAgentC IDX Solution powered by WolfNet



Are you using the eAgentC IDX solution powered by WolfNet which gives your clients access to virtually all listings in your area?

Request your WolfNet IDX solution now. Be aware that in many areas, additional MLS forms are required. Please see your MC Tech Coordinator or Team Leader for these forms.

Not sure if you are taking full advantage of this great lead capture tool? Check out our WolfNet BackOffice User Guide.

- User Guide
- Video Start at minute 3
- Support

International Public Website



Keller Williams Listing System



KWLS

The Keller Williams Listing System, or KWLS, allows you to market your listings online when you want, where you want.

By entering a listing into the KWLS, your properties receive free international exposure on the Web through KW.com, market center Websites, your eAgentC agent Website, and all our listing partners. Your listings will always appear with a link back to your eAgentC Website, meaning only you will get the leads from your listings.

Be sure to download the KWLS Marketing Flyer which lists all of our marketing partners. This is a great customizable addition to your listing presentation!

Additionally, entering a listing into the KWLS will help populate the Online Greensheet that all agents should also be using. This online greensheet streamlines the process for the market center getting your money to you FASTER!!!

International Intranet – For K.W. agents only



For Agents For Leadership

- Lead Generation Campaigns
- Listing Presentations
- Buyer Consultations Press Releases
- Templates
- Recruiting Materials
- Press Releases
- Advertising Print Campaigns
- Training/Marketing Materials & Downloads
- Event Marketing





Standard and Identity Guide

Graphics and Guidelines

- Logo Downloads Color Matching
- Stationary
- Industry Designations



Pre-made Buyer and Listing Packets











Buyers Guide and Consultation

Buyers Guide Instructions

This Buyers Guide contains an introductory letter, information about you, your value proposition, Keller Williams Realty and client testimonials. It also contains valuable information for a potential buyer regarding the home buying process.

This Buyers Guide is a good piece to mail out to a potential buyer as part of your 8 x 8 direct mail campaign, or you may choose to present it in person. The guide focuses on collecting information about the home and neighborhood that a prospective buyer may be looking for.

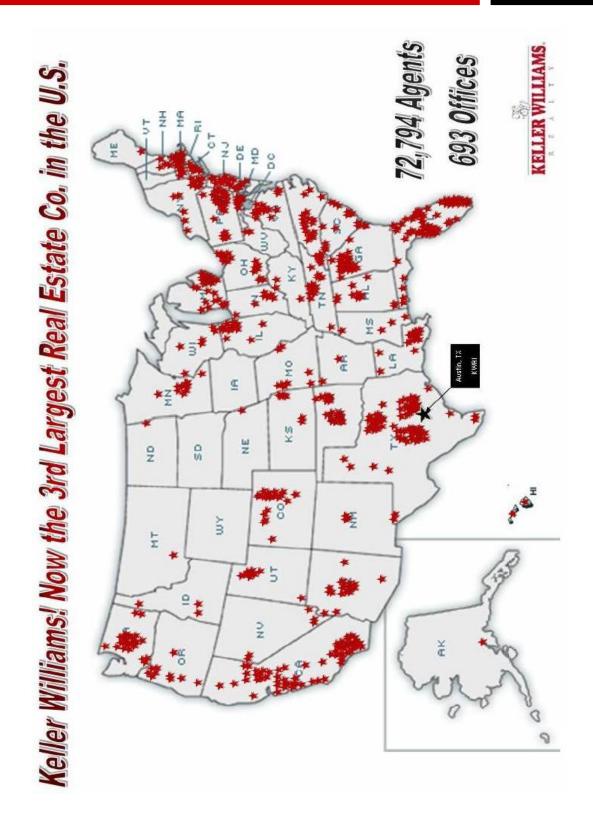


Pre-listing Packets

Pre-listing Packet Instructions

Each unique packet is targeted at one of the three specific selling groups; Prospective Sellers, FSBO's and Expired Listings. Each of the **Pre-listing packets** includes a targeted cover letter, detailed home seller information, agent information, information about Keller Williams Realty, client testimonials and the 14-point marketing plan for sellers.

In addition to using the pre-listing packets as the central part of your listing presentations, we encourage you to make these packets part of your existing 8 x 8 marketing plans.





PRESS RELEASE

Keller Williams Realty Climbs to Third-Largest Real Estate Franchise in United States

Company Outpaces Market with Financial Model, Agent-Centric Initiatives

AUSTIN, Texas, Mar 02, 2009 (BUSINESS WIRE) -- Keller Williams(R) Realty Inc., announced last week at its annual convention in Orlando, Fla. that it is now the third-largest real estate franchise in the United States, surpassing RE/MAX(R) International. According to Steve Murray of REAL Trends, a leading source of analysis and information in the residential real estate industry, the Austin, Texas-based company claimed the number three spot with 72,794 U.S. associates at the end of 2008.

"The success of Keller Williams Realty can be directly attributed to the hard work and perseverance of our associates and the soundness of our economic and organizational models," said Mark Willis, CEO of Keller Williams Realty, Inc. "While others might be looking at this market and seeing fear and uncertainty, we have always approached it as our opportunity to shine and grow. And that mindset has paid off."

The company has been gaining ground for the last three years, outpacing pervasive downward trends in the real estate industry. From 2006 to 2008, Keller Williams Realty increased its associate count by 52 percent, market share for its offices increased 83 percent and agent gross commission income went up 35 percent. Currently, the company has 679 offices operating in the United States. The company also shared more than \$30 million in profits with its associates in 2008 through its company-wide profit sharing program.

"Through profit share, our phenomenal coaching and training and our technology offerings, we are offering agents their own 'bailout plan' for this market." Willis added.

The company also announced that after years of searching for a partnership to provide its associates with affordable health insurance, they are moving forward with a solution.

The soon-to-be-launched Keller Williams Health Providers Program will include options for major medical, limited medical, catastrophic coverage and a separate cancer plan. The health insurance coverage is the first step toward a total wellness program for associates.

"We have always been very aware that as independent contractors, our agents face barriers to obtaining health coverage," said Mary Tennant, president and COO of Keller Williams Realty. "We know that for many, this new option may alleviate some of the stress that they face in today's economy. After all, our associates are not just our partners - they are our family."

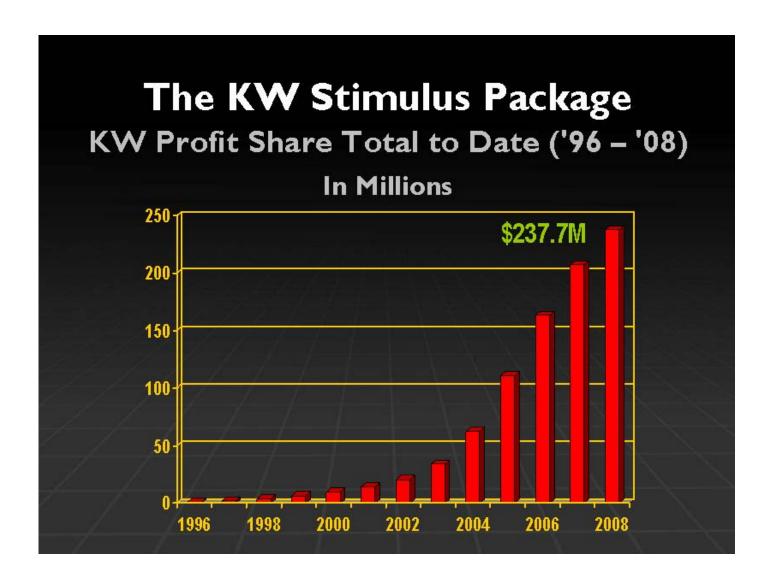
Last fall, the company also announced the launch of KW Commercial, a new division of the company dedicated to providing commercial real estate associates with specialized technology, marketing tools and resources. KW Commercial already has more than 220 active brokers across the U.S. and Canada.

"Our growth in the last year and now becoming the third-largest real estate company in the United States was a true team effort and a company-wide win. We are so grateful for all of the leadership and commitment our associates have shown to power through this shift," added Willis.

About Keller Williams Realty Inc.:

Founded in 1983, Keller Williams Realty Inc. is the third-largest real estate franchise operation in the United States, with more than 690 offices and 74,000 associates in the United States and Canada. The company, which began franchising in 1990, has an agent-centric culture that emphasizes access to leading-edge education and promotes an economic model that rewards associates as stakeholders and partners. For more information, visit Keller Williams Realty online at (www.kw.com).

Keller Williams® Profit Share is GROWING.....



Growth NAR Comparative Statistics

Agent Count Dec. 2007–Dec. 2008							
2007 2008 % Change							
NAR	1,338,001	1,197,529	-10.5				
KWR	79,643	74,175	-6.9				



Growth REAL Trends, May 2008—Key Findings

	Change in Total Sides	Change in Total # of Offices	Change in Total Number of Agents
Keller Williams	10%	58%	29%
All other Franchises	-19%	-6%	-8%



Growth

REAL Trends, May 2008—KW Performance

- Best performance in change in closed transactions/associate from 2003–2007
- Grew 65% more in associates/office, 61% more in transactions/associate, 32% more in sales per office
- 2003–2007, increased U.S. market share by 161%, only one other increased less than 20%



KW has the best performance in the change in closed transactions per associate among its peers from 2003 to 2007.

When comparing KW to the ten largest independents in the country, over the last five years, KW grew by 65% more in associates per office, 61% more in transactions per associate, and 32% more in sales per office—The Model Works. This is your money, your production, and it thrills us.

And from 2003 to 2007, KW increased its U.S. market share by more than 161%, while only one other network gained. And their increase was less than 20%.

Growth Swanepoel Trends Report

- Annual report on the top ten real estate trends
- Of Top Ten Trendsetters of 2008,
 Keller Williams is number three
- Of Top Ten Newsmakers of 2008, Gary Keller is number four



Growth KWRI Health

- No debt
- Profitable
- Profit shared close to \$2 million to KWRI employees
- No layoffs



Growth **Perspective** 2006, 2007, 2008 **Average** 2004, 2005 % Inc. 47,767 **Agents** 72,381 +52 Units 286,909 361,400 +26.0 \$1.7 Billion **GCI** \$2.4 Billion +35.1 \$38.5 Million **Profit Share** \$42.3 Million +10 +83.1 **Market Share** 2.73% 5%

Competitor Information

The Top-Ranked Real Estate Franchises by Agent Count

#	Company—U.S.	2008	2007	% Change
#1	Coldwell Banker	101,170	109,167	-7.3
#2	Century 21	95,390	105,461	-9.5
#3	Keller Williams	72,794	78,441	-7.2
#4	Re/Max	69,108	85,737	-19.4
#5	Prudential	62,000	68,000	-8.8

Twenty Questions

Who you are in business with matters – how they treat you is critical to your success. Here are 20 important questions to ask about the real estate company or franchise system you are currently with, or considering joining:

- 1. Does the company allow you to build your own agent brand? Can you put your own logo, name, phone number and website on yard signs and in your ads? Can it be larger than or as prominent as the company's?
- 2. Does the company allow you to directly receive the sign calls or inquiries on your own listings without going through the up-desk or office switchboard?
- 3. When a person is seeking you on the company's local or national website, can they quickly (within two or three clicks) get directly to you, your own website and your own business phone number?
- 4. Can you do agent-to-agent referrals without going through the company's relocation division and paying them a portion of your referral fee?
- 5. If you decide to leave the company do they let you take your listings with you? Do they still pay you the same commissions you were owed on your pending transactions without any penalties or reduction in splits?
- 6. Does the company seek your input and advice on important financial and policy decisions? Do you have a say in what goes on?
- 7. If you are a top producing agent do you get to serve on a council that discusses and votes on company changes in policy and fees?
- 8. Does the company open its books and allow you to see and review monthly financial records such as Profit & Loss statements?
- 9. Does the company offer you an opportunity to share in its profits? Is the profit sharing amount greater than 30% of the company's net income?
- 10. Do you have the opportunity to earn residual income from the company that will continue even after you leave the company or retire?
- 11. Does the company cap the money you pay it on an annual basis (Company Dollar), so that you do not have to keep paying them on all your production?

Keller Williams

- 12. If you are affiliated with a National Franchise, do they cap your royalties (or service fees) annually, so that you don't have to keep paying them a portion of all your commissions?
- 13. Does the company allow you to earn 100% commissions without having to pay monthly fees even when you don't have closings?
- 14. Does the company provide a way for you to actually earn more than 100% to be paid more by the company than it costs you to be with them?
- 15. Does the company provide all levels of sales and business training from the fundamentals of real estate sales all the way up to hiring staff, building a team, managing your expenses and creating a business?
- 16. Does the company provide wealth-building information and training? Do they give you good advice and consulting on how to gain financial independence?
- 17. Do the leaders of the company take the time and make the effort to share with you research, strategies and systems that you can use to improve your business and your career?
- 18. Have the leaders of the company written best selling books that are used and respected in the real estate industry? Do they speak with knowledge and authority on the issues that matter to the agents?
- 19. Does the company have a set of written beliefs and values that it shares and sincerely seeks to live by? Does the company have a spirit and culture of teamwork and positive energy?
- 20. Is the company clearly agent-centered? Does it understand that the consumer selects the agent, not the company? Does that awareness show up in the way the company does business?

The answers to these questions may help you understand which company you want to be with – which one will provide the most support for achieving your own personal and professional goals.

The interesting thing is this: at Keller Williams Realty the answer to everyone one of these 20 questions is YES!