

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

Golden Circle Real Estate Group, L.L.C.,
D/B/A Keller Williams Realty, Greater Des
Moines,

Plaintiff,

vs.

Iowa Realty Company, Inc.

Defendant.

No. CL125527

**PETITION AT LAW
AND JURY DEMAND**

FILED
POLK COUNTY, IA
12 JUN 27 AM 10:31
CLERK DISTRICT COURT

COMES NOW, the Plaintiff, Golden Circle Real Estate Group, L.L.C., D/B/A Keller Williams Realty, Greater Des Moines (“Keller Williams Realty”), and in support of its Petition and Jury Demand states:

Parties, Jurisdiction, and Venue

1. The Plaintiff, Keller Williams Realty, is a limited liability company doing business in Polk County, Iowa.
2. The Defendant, Iowa Realty Company, Inc. (“Iowa Realty”), is an Iowa corporation doing business in Polk County, Iowa.
3. The facts that give rise to this lawsuit took place in Polk County, Iowa.
4. The Plaintiff’s damages in this matter exceed this Court’s minimal jurisdictional amount.

Facts Common to All Counts

5. Keller Williams Realty and Iowa Realty are real estate brokers engaged in the business of representing buyers and sellers of real estate and are governed by Iowa Code chapter 543B (Real Estate Brokers and Salespersons).
6. Keller Williams Realty and Iowa Realty are members of the Des Moines Association of

Realtors, Inc. (DMARR) and the Multiple Listing Service (MLS), and as members agree to abide by certain rules and regulations. Members of DMARR must supply all of their listings to MLS, including the commission that is to be paid to the selling agent (who represents the buyer of the property), and this information is provided to all members of MLS.

7. Doug Burnett is a part-owner and broker with Keller Williams Realty. Doug Burnett was previously the owner and president of Burnett Realty, a real estate brokerage company located in Polk County, Iowa. Burnett Realty was a corporate member in good standing with DMAAR and MLS. The properties Burnett Realty listed for sale were all listed on MLS. Burnett Realty and Iowa Realty split commissions earned for the sale of real estate as published in the MLS listing, which generally was that the listing broker was paid fifty percent of the commission earned and the selling broker was paid fifty percent of the commission earned.
8. In a letter dated January 25, 2002, Mike Knapp, President of Iowa Realty, informed Burnett Realty that beginning February 15, 2002, Iowa Realty and First Realty would not pay Burnett Realty the selling agent commission published on MLS. Rather, the companies would pay Burnett Realty agents eighty percent of the selling agent commission published on MLS. (Letter attached as Exhibit A)
9. On March 22, 2002, Burnett Realty initiated a lawsuit against Iowa Realty and First Realty, at which time Iowa Realty was also engaged in litigation with Next Generation Realty.
10. Burnett Realty and Iowa Realty and First Realty entered into a "Tolling Agreement," under which Iowa Realty agreed to pay Burnett Realty agents the full selling agent commission published on MLS, and Burnett Realty agreed to dismiss its suit. (Tolling Agreement attached as Exhibit B)

11. In a letter dated June 26, 2006, Dan Cornelison, Senior Vice President of Iowa Realty, informed Keller Williams Realty that if Keller Williams Realty opened a franchise in Iowa, Iowa Realty would not pay any portion of the selling firm commission stated on MLS to a Keller Williams Realty agent who represented the buyer of a property. (Letter attached as Exhibit C)
12. In a letter dated January 18, 2012, R. Michael Knapp, President and CEO of Iowa Realty, informed Doug Burnett that if he converted Burnett Realty to a Keller Williams Realty franchise, Iowa Realty would pay zero percent of the selling firm commission posted on MLS to a Keller Williams Realty agent who represented the buyer of a property. (Letter attached as Exhibit D)
13. On January 20, 2012, an Iowa Realty newsletter, entitled "The Valley West Side Story," published a story about Keller Williams Realty that confirmed Iowa Realty would not share commissions Keller Williams Realty agents, criticized the Keller Williams Realty business model, and concluded by stating, "Please be aware of this pyramid scheme and please come see Cap, John, Elaine or Dan if you have any questions." The newsletter story is a violation of the National Realtors Code of Ethics. (Newsletter attached as Exhibit E)
14. In a letter dated March 23, 2012, James Koolhof, the Executive Vice President of Iowa Realty, informed Doug Burnett that effective 12:01 am on March 24, 2012, Iowa Realty would not pay any portion of the selling firm commission posted on the MLS for resale properties to Keller Williams Realty agents. (Letter attached as Exhibit F)
15. On April 13, 2012, an Iowa Realty newsletter, entitled "The Valley West Side Story," published another story about Keller Williams Realty. (Newsletter attached as Exhibit G)
16. The story stated that it was Iowa Realty's policy to not share the commission published on

MLS with Keller Williams Realty's agents, with the exception that it will share commission published on MLS for new construction properties.

17. The story also falsely disparages the Keller Williams Realty business model in violation of the Realtor Code of Ethics.
18. As of April 23, 2012, Iowa Realty continues to contract with sellers of homes stating, "It is the policy of Iowa Realty to offer cooperation and compensation on a reciprocal basis with other MLS firms as the broker for the Buyer and not as a sub-agent of Iowa Realty." Contrary to its contract with sellers and its MLS listings, Iowa Realty refuses to split commissions with Keller Williams Realty agents who represent a buyer. (Disclosure attached as Exhibit H)
19. In a letter dated May 16, 2012, R. Michael Knapp, President and CEO of Iowa Realty, informed Doug Burnett that Iowa Realty would not share commission with Keller Williams Realty agents with the exception of new construction properties and certain REO sellers and service providers. It is not clear from MLS what properties Iowa Realty intends to share commissions with Keller Williams Realty agents, but the letter provided three websites for Keller Williams Realty agents to attempt to determine. (Letter attached as Exhibit I)
20. In May and/or June 2012, Iowa Realty obtained data from MLS and displayed MLS listings on its website, but excluded properties listed by Keller Williams Realty, which is inconsistent with the DMARR and/or MLS rules and regulations.
21. Iowa Realty continues to make false statements about Keller Williams Realty, including disparaging Keller Williams Realty's business to the real estate community and public as a whole.

Count I: Interference with Contractual Relationship

22. Keller Williams repleads the above paragraphs as if fully set forth herein.
23. Keller Williams Realty has a business relationship with buyers and sellers of real estate and has valid contracts with those clients, under which both parties to the contract have legal rights.
24. Iowa Realty is a real estate brokerage business that knew of the fiduciary duties imposed on real estate agents and the business relationship between Keller Williams Realty and the owners and purchasers of real estate.
25. Iowa Realty intentionally and without justification interfered with the business relationship between Keller Williams Realty and its clients, including by refusing to pay the commission listed on MLS to Keller Williams Realty's agents, making disparaging comments about Keller Williams Realty's business, and omitting properties listed by Keller Williams Realty's agents from the MLS listings on Iowa Realty's website.
26. Iowa Realty's actions have caused Keller Williams Realty's performance of its contractual duties to be more expensive and burdensome.
27. Keller Williams Realty has suffered damages including unpaid commissions and revenues.

Count II: Interference with Prospective Business/Economic Relationship

28. Keller Williams repleads the above paragraphs as if fully set forth herein.
29. Keller Williams Realty represents buyers and sellers of real estate and has a reasonable expectancy of a business relationship with buyers and sellers of real estate in Polk County, Iowa, including those that list their properties for sale with Iowa Realty.
30. Iowa Realty is a real estate brokerage business that knew of the fiduciary duties imposed on real estate agents and the prospective business relationship between Keller Williams Realty

and the owners and purchasers of real estate.

31. Iowa Realty has intentionally and wrongfully interfered with the prospective business relationship between Keller Williams Realty and the buyers and sellers of real estate causing the business relationship to fail to materialize, including by refusing to pay the commission listed on MLS to Keller Williams Realty's agents, making disparaging comments about Keller Williams Realty's business, and omitting properties listed by Keller Williams Realty's agents from the MLS listings on Iowa Realty's website.
32. Iowa Realty's conduct has caused Keller Williams Realty to suffer damages, including earned but unpaid commissions and lost revenues.

Count III: Injurious Falsehood

33. Keller Williams pleads the above paragraphs as if fully set forth herein.
34. Iowa Realty has made false statements about and affecting Keller Williams Realty, including falsely stating that Iowa Realty cooperates with other brokers and splits commissions, falsely characterizing Keller Williams Realty as a "pyramid scheme" and falsely stating that Keller Williams Realty employs "subversive and distracting tactics" to "disrupt" the market.
35. Iowa Realty communicated those statements to third parties selling real estate, multiple real estate agents in the community, and the public.
36. Iowa Realty knew the false statements would likely cause damage to the Keller Williams Realty's business.
37. Keller Williams Realty suffered damages including lost commissions and revenue.

Count IV: Unfair Competition

38. Keller Williams repleads the above paragraphs as if fully set forth herein.
39. Keller Williams Realty and Iowa Realty are real estate brokers in Polk County, Iowa and compete for a common pool of customers.
40. Iowa Realty has breached the Realtor Code of Ethics by failing to advise clients of company policies regarding cooperation and compensation to other brokers, and making false statements regarding the same.
41. Iowa Realty has made false representations regarding its services to obtain clients, including contracting with sellers of real estate to cooperate with other real estate brokers and split commissions and then violating this contractual duty by refusing to pay commissions to Keller Williams Realty agents who sell a property listed by an Iowa Realty agent.
42. Iowa Realty has engaged in fraudulent advertising by representing that all Des Moines area listings are available on its website, but then excluding Keller Williams Realty's listings in violation of DMARR rules and regulations.
43. Iowa Realty has harmed Keller Williams Realty's ability to compete on equal and fair terms, and Keller Williams Realty has suffered damages that include lost commissions and revenue.

Count V: Breach of Contract

44. Keller Williams repleads the above paragraphs as if fully set forth herein.
45. Burnett Realty had an agreement with Iowa Realty to split commissions.
46. Burnett Realty contributed that agreement to Keller Williams Realty.
47. Iowa Realty breached that agreement on March 24, 2012, by notifying Keller Williams Realty that it would no longer split commissions with any Keller Williams Realty agent.

Count VI: Slander

48. Keller Williams repleads the above paragraphs as if fully set forth herein.

49. Keller Williams Realty is a real estate broker.

50. Iowa Realty falsely spoke of Keller Williams Realty, including stating to reporters and others that Keller Williams Realty is not an honest and transparent company and Keller Williams Realty engages in “subversive and distracting tactics.”

51. Keller Williams Realty was defamed and damaged in name, reputation, and business.

52. Keller Williams Realty also incurred costs and expenses, loss of time, and inconvenience in bringing this action.

Count VII: Libel

53. Keller Williams repleads the above paragraphs as if fully set forth herein.

54. Keller Williams Realty is a real estate broker.

55. Iowa Realty has made false statements about Keller Williams Realty and published those statements, including newsletters published on January 20 and April 13, 2012 that characterized Keller Williams Realty as a “pyramid scheme” and its “tactics were to create a ‘wave’ of agents, enticing them with their pyramid scheme of making an income versus providing real estate services to buyers and sellers.”

56. Keller Williams Realty was defamed and damaged in name, reputation, and business.

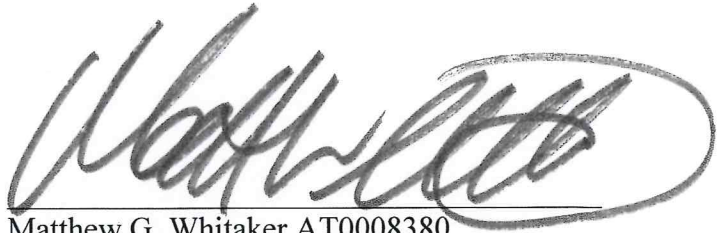
57. Keller Williams Realty also incurred costs and expenses, loss of time, and inconvenience in bringing this action.

Jury Demand

58. Keller Williams demand a jury trial on all issues so triable.

WHEREFORE, the Plaintiff Keller Williams Realty respectfully requests the Court enter judgment against the Defendant Iowa Realty for an amount that will compensate it for its damages.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Matthew G. Whitaker', is written over a horizontal line. The signature is stylized and cursive.

Matthew G. Whitaker AT0008380

Kendra L. Arnold AT0009341

Email: mwhitaker@whgllp.com

Email: karnold@whgllp.com

WHITAKER HAGENOW & GUSTOFF LLP

400 East Court Ave., Suite 346

Des Moines, IA 50309

Phone: (515) 284-5001

Fax: (515) 864-0963



Corporate
3501 Westown Parkway
West Des Moines, IA 50266
(515) 224-6222
(515) 453-5786 Fax
(800) 247-2430
www.iowarealty.com

January 25, 2002

Mr. Doug Burnett
Burnett Realty
10200 Hickman Road
Des Moines, IA 50325

Re: Commission Splits

Dear Mr. Burnett:

The purpose of this letter is to inform you that effective at 12:01 a.m., Friday, February 15, 2002, Iowa Realty Co., Inc. will pay Burnett Realty agents upon the sale of an Iowa Realty listing 80% of the commission percentage posted on the Multiple Listing Service.

Please let me know if you have any questions regarding this commission sharing arrangement.

Very truly yours,

R. Michael Knapp
President, Iowa Realty and First Realty

RMK/jh



DISMISSAL AND TOLLING AGREEMENT

WHEREAS, Burnett Realty, L.C. ("Plaintiff"), initiated a lawsuit against Iowa Realty Company, Inc., d/b/a Iowa Realty, First Realty, Ltd., d/b/a First Realty, HomeServices.com, Inc., and MidAmerican Energy Holdings Company ("Defendants") which was filed on March 22, 2002 ("the Action");

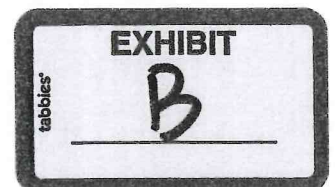
WHEREAS the Defendants have denied any and all such claims in the Action;

WHEREAS the parties agree that similar issues are presented in Next Generation Realty, Inc., et al. v. Iowa Realty Company, Inc., et al., Case No. CE38825, Iowa District Court for Polk County ("Next Generation"), in which complete summary judgment was granted in favor of Defendants which has now been appealed by the plaintiffs therein to the Iowa Supreme Court;

WHEREAS the parties agree, without any admission with respect to the claims asserted and without waiver of any rights or defenses, that the resolution of the Next Generation appeal may be valuable in assessing the Action and, as a result, the parties agree to the dismissal without prejudice of the Action on the terms and conditions set forth in this Agreement.

IT IS NOW AGREED:

1. Burnett Realty, L.C., agrees to dismiss the Action without prejudice within five (5) business days of the entering into of this Agreement, with the respective costs and expenses of the Action to be the responsibility of each party.
2. The parties agree that the statutes of limitations with respect to the claims asserted in the Action shall be tolled as of its filing date of March 22, 2002, and that such



tolling shall continue through the period of the appeal in Next Generation and the period referenced in paragraph 3 below.

3. Burnett Realty, L.C., agrees that if it chooses to file an action reasserting the claims set out in the Action, the new action must be filed and served within sixty (60) days of the entry of the final decision in Next Generation; and further agrees that if Burnett Realty, L.C., fails to do so, the court within which the new action is filed must dismiss with prejudice the newly-filed action upon Defendants' motion, which Burnett Realty, L.C. agrees not to contest.

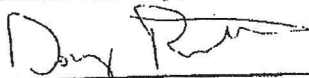
4. During the period set out in paragraphs 2 and 3 above, Iowa Realty and First Realty agree to continue to pay the commission percentage posted in the Multiple Listing Service ("MLS") upon sale by Burnett Realty, L.C., agents of Iowa Realty and First Realty listings.

5. This Dismissal and Tolling Agreement has been reviewed by counsel for the respective parties and approved by them.

PLEASE READ THIS DOCUMENT CAREFULLY. IT WILL RELEASE AND
WAIVE LEGAL CLAIMS AND RIGHTS YOU MAY HAVE. YOU ARE ADVISED
TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS DOCUMENT.

Agreed to as of 4-17, 2003.

Burnett Realty, L.C.



Doug Burnett

Approved as to form:

Glenn L. Norris
Hawkins & Norris, P.C.
2501 Grand Avenue, Suite C
Des Moines, IA 50312
ATTORNEYS FOR PLAINTIFF

Iowa Realty Company, Inc.,
First Realty, Ltd.

R. Michael Knapp

HomeServices.com, Inc.
MidAmerican Energy Holdings Company

Paul Leighton

Approved as to form:

Kimberly J Walker
Faegre & Benson LLP
400 Locust Street
400 Capital Square
Des Moines, IA 50309
ATTORNEYS FOR DEFENANTS
DSMS1:40042636.01

Keller Williams Realty
Att: John Davis
181 Grand Ave. #240
Southlake, TX 76902

June 26, 2006

Dear Mr. Davis,

Due to the current climate in the real estate market, Iowa Realty and our agents must be focused on maximizing all of the opportunities before us in listing and selling homes. Currently we are experiencing significant distraction from these activities due to the attempted clandestine efforts of Keller Williams to recruit an Iowa Realty agent to act as a "mole" who in turn is to recruit other Iowa Realty agents to sign non-disclosure agreements to hear the pitch why they should leave Iowa Realty and become Keller Williams agents. Your attempts to have Iowa Realty agents execute these non-disclosure agreements have failed. We also understand that as part of these recruiting efforts you have tempted Iowa Realty agents with free tickets to Hawaii and that those efforts have likewise failed.

These invasive and unscrupulous methods have been a significant distraction to Iowa Realty and to our agents which in turn has resulted in a negative impact on our ability to serve our customers and our agents. The net effect is that these uninvited efforts have damaged the ongoing efforts of Iowa Realty and our agents to serve our customers, at a cost to Iowa Realty and to our agents.

Should Keller Williams open an office in the Des Moines market the cost of this significant distraction will be reflected by Iowa Realty paying Keller Williams upon the sale of an Iowa Realty listing by a Keller Williams agent 0% of the commission posted on the Des Moines Area Association of Realtors Multiple Listing Service.

You are now on notice that your unwanted recruiting efforts are damaging Iowa Realty and our agents. Please refrain from such further activity and govern yourself accordingly.

Most Sincerely,

Dan Cornelison
Sr. Vice President and
General Counsel





Corporate
3501 Westown Parkway
West Des Moines, IA 50266
(515) 224-6222
(515) 453-5786 Fax
(800) 247-2430
www.iowarealty.com

January 18, 2012

Mr. Doug Burnett, Broker
Mr. Brian Wentz
Burnett Realty, LLC
10200 Hickman Rd., Ste. 100
Clive, IA 50325

Re: Commission Split

Doug and Brian:

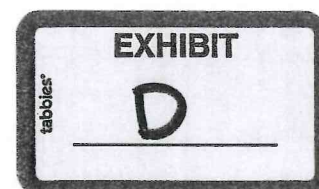
It has come to my attention that you intend to convert Burnett Realty to a Keller Williams Realty franchise office in the near future. In fact, I am aware of significant efforts currently underway to market the Keller Williams business model to investors and recruit agents to the franchise. Several Iowa Realty agents already have been presented with the opportunity to change their lives by becoming stakeholders in Keller Williams.

I am writing today to make certain you are aware of Iowa Realty's notification to Keller Williams in 2006 that it would not share commissions with Keller Williams if a franchise office opened in the Des Moines area. Please note that Iowa Realty's position on this matter has not changed since that time, and this policy will be enforced regardless of the individual investors bringing the Keller Williams franchise into the Des Moines market. This letter puts you on notice that in the event an Iowa Realty listing is sold by an associate of a Keller Williams franchise, Iowa Realty will pay Keller Williams 0% of the selling firm commission posted on the DMAAR Multiple Listing Service.

If you have any questions concerning this commission sharing arrangement, please feel free to contact me.

Very truly yours,

R. Michael Knapp
President and CEO



THE VALLEY WEST SIDE STORY

January 20, 2012

BUSINESS MEETING

Thank you, Mike Knapp for your Annual State of the Company address. 2011 was a very good year, not spectacular, but the company met and exceeded their expectations. The Valley West office is a fabulous office. We are the core piece for the success of Iowa Realty. We are the top producers in the company and we work well together.

The "One More Deal" incentive was a big success with 159 qualifying agents. Plans for another incentive program are in the works for 2012.

Mike shared some highlights about the results of a recent NAR questionnaire. 88% of homebuyers used the internet in the home search. Agents were viewed by 98% of the buyers as a useful source of information. 89% of buyers used an agent to purchase their home versus 69% in 2001 – a steady increase. 9 out of 10 buyers would use their agent again. Technology doing away with a Realtor, I think not!

Iowa Realty's position in the real estate world is that we deal with everyone and will continue our presence in the market place with newspaper, signs and the internet as elements of interaction between buyers, sellers and agents. We will continue to support all platforms to maximize all potential business. The internet is now the core element in marketing and we are in the process of upgrading our current web site. It will not affect the functionality, ease of use, speed, reliability and the interest that we

currently have. There will be quicker access to the agent web sites.

There is a new brokerage in town, NorthStar Exit Realty currently originating in Norwalk. They are a company that puts emphasis in recruiting versus buying and selling real estate. Iowa Realty has changed the commission split with Exit Realty to 80% if they sell one of our listings.

Another company name buzzing around town is Keller Williams. Keller Williams' strategy is based on building a pyramid or tiers of people over a period of time and being paid a "profit sharing fee" on those recruits. First of all, there needs to be enough "investors" prior to being "awarded" the franchise. You cannot purchase a franchise, so Keller Williams is using Burnett Realty as a recruiting platform and source for investors to obtain a franchise. They are still in the process of committing the "last" investor, as they have been for the past several months.

You may recall Keller Williams attempted this a few years ago and Iowa Realty sent a letter formally stating that there would be no commission shared between the companies of Iowa Realty and Keller Williams should they sell one of our listings. This letter has been reissued to the parties acting in the interest of Keller Williams.

Please be aware of this pyramid scheme and please come see Cap, John, Elaine or Dan if you have any questions.

Mike Knapp anticipated 2012 to be a better real estate year. "Maybe not out of this world" but improving as our

EXHIBIT

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unemployment rates continue to drop and mortgage interest rates remain historically low. And lastly, Mike says "his door is always open. In fact, sometimes he gets a little bored." So anytime you want to visit, please stop by.

* * * * *

QUIPS'N QUOTES

Success is not so much achievement as achieving. Refuse to join the cautious crowd that plays not to lose; play to win.

CALENDAR

- 1/20 Lunch & Learn with Tami Kitner and Andy Wallace, "Build Your Trust Account" – noon to 2 p.m.
Lunch at 11:30
- 1/25 Business Meeting – Financial Planning with Nick Capobianco
- 2/1 Business Meeting – Health and Fitness with Melissa Grandon
- 2/3 Annual Awards Ceremony – Hy-Vee Hall, 8:30 a.m.
- 2/6 HLS Lunch & Learn, Sellers Concessions
- 2/8 Business Meeting - Tami Kitner Docu-Sign
- 2/15 Business Meeting – Travel
- 2/17 Bowl-a-thon @ Plaza Lanes
- 2/22 Business Meeting – Gray Hawk
- 2/29 Business Meeting - Relo

Home Services Lending

James and Doug will be hosting a Lunch and Learn
the first Monday of every month.
Please sign up for these Lunch and Learns with Sue so there is an accurate head count for lunch.



Thank you for your continued support of
H.S.A. Warranty!

Please contact Jane Gasperi –
Service Representative

@ 515-556-2744 or

Rosanne Paul – Territory Manager

@ 515-202-5696

www.onlinehsa.com

1-800-367-1448



January Birthdays:

Jane Krumm – 1st

Marg Hull – 2nd

Mary Halling – 8th

John Tiefenthaler – 8th

Dan Rivenburgh – 11th

Elaine Johnson – 17th

Sue Hickman – 19th

Anne Timmins – 21st

Connie Ridgway – 22nd

Eric Quiner – 23rd

Nancy Willis – 25th

Jamie Jones – 26th

Bob Waddill – 26th

Leah Topliff – 31st



Corporate
3501 Westown Parkway
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(515) 453-5786 Fax
(800) 247-2430
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March 23, 2012

Via Certified Mail, Return Receipt Requested

Doug Burnett, Broker
Golden Circle Real Estate Group LLC
Keller Williams Realty, Greater Des Moines
10200 Hickman Court, Suite 100
Clive, IA 50325

Re: Commission Splits

NEW CONSTRUCTION
SPLITS



Doug Burnett, Burnett Realty
Licensed in Iowa • Clive, IA
515.778.0377 • dburnett@burnettrealty.net
www.burnettrealty.net

Mr. Burnett:

The purpose of this letter is to inform you that effective at 12:01 a.m., on Saturday, March 24, 2012, Iowa Realty will pay Golden Circle Real Estate Group, LLC (or any alternative brokerage name utilized by Keller Williams Realty, Greater Des Moines), agents upon the sale of an Iowa Realty, resale property listing, 0% of the commission percentage posted on the Multiple Listing Service.

This commission split will remain effective until specifically revoked in writing by Iowa Realty Co., Inc.

Please let me know if you have any questions regarding this commission sharing arrangement.

Very truly yours,

James Koollhof
Executive Vice President and CAO of
Iowa Realty Co., Inc.



THE VALLEY WEST SIDE STORY

April 13, 2012

BUSINESS MEETING

Thank you Tami & Kim for walking us through the android, iPhone updates. It was a piece of cake!

Tami also helped us expand our Trust Account Program with an awesome Trendgraphix idea to keep our name and professionalism out in front of our clients. We are asked often, "How is the market?" and this will provide an easy way to keep all informed. Either once a month or once a quarter, send the standard Trendgraphix report to your top Outlook client category, asking them to let you know if they are interested in these stats for their neighborhood.

Tami suggests emailing the For Sale, Sold and Pended Sold as these categories are the most accurate for current market stats. Also Tami suggests sending just the "bar graph" and the "data chart", eliminating the "change summary table". To do this, go to the email link at the top of the Trendgraphix page; select For Sale, Sold and Pended report; select Data Table; Change Summary – NO; add your name and phone number; send to yourself. Then simply open your e-mail & forward to those clients in Outlook you wish to receive the information; BCC, please; add your message and SEND! Remember, ONCE YOU SEND THE INFORMATION, YOU MUST CONTINUE TO DO SO!

Management Update: Keller Williams

About 7 - 8 years ago, Keller Williams attempted to go "inside" our brokerage and solicit agents out of our operation. Their tactics were to create a "wave" of agents,

enticing them with their "pyramid" scheme of making an income versus providing real estate services to buyers and sellers. At that time, Iowa Realty implemented a policy that Iowa Realty would not share a commission with Keller Williams for any Iowa Realty listing that they sold. Iowa Realty has now reissued the policy with Keller Williams, under the Burnett umbrella. We will not share commission with the exception that Iowa Realty will share commission published on the MLS with new construction properties. Please keep in mind that an agent CANNOT negotiate commission on a purchase agreement. If asked by a Keller Williams agent about commission or if asked if you think this is fair, your response should be "Work through your commission with your broker."

CALENDAR

- 4/18 Business Meeting-Fitness World West
- 4/19 Agent Advisory Council-10:30 a.m. Corp.
- 4/24 Company Breakfast at Hy-Vee Conference Center – 8:30 a.m.
- 4/25 NO Meeting

The Valley West
Agent Advisory Council Members are
Valerie Kenworthy and Donna Whitney.
Please see one of them if you
have any suggestions.

EXHIBIT

G

tabbles

2012 SPRING TOUR OF HOMES:

Saturday, April 14th – 1 to 4pm

Sunday, April 15th – 1 to 4pm

Saturday, April 21st – 1 to 4pm

Sunday, April 22nd – 1 to 4pm.

QUIPS'N QUOTES

*Take time to deliberate, but when
the time for action arrives, stop
thinking and go in.*



April Birthdays:

Michael Hickman – 4th

Maxine Langenfeld – 10th

Katie Blaess – 15th

Mariam Whitehead – 16th

Al Donahoe – 17th

Don McNutt – 21st

Mary Kay Mickelson – 26th

Annie Breding – 28th

Debra McGhee – 28th

MLX REMARKS

MLX allows you 1000 characters in the Remark Section. (that 1000 characters includes the spaces between words, and punctuation). Please try to keep your text within that limit to avoid the BOC's leaving out important facts that you and your seller want included.

When you turn in paperwork to the BOC's, please include the MLS number.

Deb Velner's assistant is Jeremy Vennick and he will be located at Corporate. Contact info for Jeremy is: 453-4614, fax 453-4626 and his e-mail is jvennick@midlandescrow.com.



Thank you for your continued support of H.S.A. Warranty!

Please contact Jane Gasperi –
Service Representative

@ 515-556-2744 or

Rosanne Paul – Territory Manager

@ 515-202-5696

www.onlinehsa.com

1-800-367-1448



Iowa's Largest

Seller's Agency Disclosure

(To be acknowledged by seller during listing appointment)

Part 1



I. IF IOWA REALTY CO., INC., AS BROKER, LISTS YOUR PROPERTY FOR SALE:

- A. When an Iowa Realty Agent lists a property for sale, it is the policy of Iowa Realty to appoint that agent to act solely on the Seller's behalf to the exclusion of all other affiliated agents of Iowa Realty. This is known as Appointed Agency.
- B. When an Iowa Realty Seller Appointed Agent lists a property but an outside brokerage firm procures the Buyer, it is the policy of Iowa Realty to exclusively represent the Seller. This is known as Single Agency.
- C. When an Iowa Realty Agent both lists and sells the same property, it is the policy of Iowa Realty to represent both Seller and Buyer as a Consensual Dual Agent. This is known as Consensual Dual Agency.

II. SUBAGENCY AND COMMISSION ARRANGEMENTS BETWEEN COOPERATING BROKERAGE FIRMS:

Multiple Listing Service Listings. It is the policy of Iowa Realty to offer cooperation and compensation on a reciprocal basis with other MLS firms as the broker for the Buyer and not as a sub-agent of Iowa Realty.

III. DUTIES OF APPOINTED AGENT TO SELLER-CLIENT: Under Iowa law, Seller is considered to be a *client* of Appointed Agent because Seller has an agency agreement with Appointed Agent. Appointed Agent has the following duties to Seller as Appointed Agent's client:

- A. Place the client's interests ahead of the interests of any other party, unless loyalty to a client violates Appointed Agency's duties under the consensual dual agency provisions of Iowa Code or any other applicable law.
- B. Disclose to the client all information known by Appointed Agent that is material to the transaction and that is not known by the client or could not be discovered by the client through a reasonably diligent inspection.
- C. Fulfill any obligation that is within the scope of this Agency Disclosure, except those obligations that are inconsistent with other duties that Appointed Agent has under the Real Estate Brokers and Salespersons provisions of the Iowa Code or any other law.
- D. Disclose to a client any financial interests the Appointed Agent or Broker has in any business entity to which Appointed Agent or Broker refers a client for any service or product related to the transaction.

NOTE: Iowa Realty is an affiliate of HomeServices of America, Inc.

IV. APPOINTED AGENT'S DUTIES TO ALL PARTIES IN THE TRANSACTION: In providing brokerage services, Appointed Agent has the following duties to all parties to a sale or lease:

- A. Provide brokerage services to all parties to the transaction honestly and in good faith.
- B. Diligently exercise reasonable skill and care in providing brokerage services to all parties.
- C. Disclose to each party all material adverse facts that Appointed Agent knows except for the following:
 - 1. Material adverse facts known by the Buyer or Seller.
 - 2. Material adverse facts Buyer or Seller could discover through a reasonably diligent inspection, and which would be discovered by a reasonably prudent person under like or similar circumstances.
 - 3. Material adverse facts the disclosure of which is prohibited by law.
 - 4. Material adverse facts that are known to a person who conducts an inspection on behalf of the Buyer or Seller.
- D. Account for all property (money) coming into the possession of Broker or Appointed Agent that belongs to Buyer or Seller within a reasonable time of receiving the property.

V. IOWA REALTY'S APPOINTMENT OF AGENT TO ENTER INTO AN AGREEMENT:

All actively affiliated licensees with Iowa Realty are authorized to enter into agreements with Seller(s) for the listing of property. The nature of the agency into which affiliated licensees are authorized to enter are Appointed Agency, Single Agency, and Consensual Dual Agency.

I acknowledge receipt of a copy of this agency disclosure document before any *specific assistance* was offered by the licensee.

NOTE: PART 1 IS NOT A CONSENT FORM, IT IS ONLY A NOTICE OF IOWA REALTY'S AGENCY POLICIES.

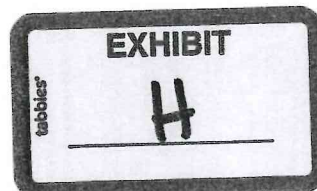
Seller's Signature

York Taenzer

Seller's Signature

Date

04/23/2012





Corporate
3501 Westown Parkway
West Des Moines, IA 50266
(515) 224-6222
(515) 453-5786 Fax
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May 16, 2012

Mr. Doug Burnett, Broker
Golden Circle Real Estate Group, LLC
Keller Williams Realty, Greater Des Moines
10200 Hickman Ct., Ste. 100
Clive, IA 50325

Via Facsimile No. 331-4301 and U.S. Mail.

Re: Iowa Realty REO Listings

Doug:

Iowa Realty serves certain REO sellers and servicers that require us as the listing broker to share commission with selling brokers. Please note that with regard to these REO listings, Iowa Realty will pay the selling broker, including Golden Circle Real Estate Group, LLC, in accordance with the applicable listing contract. The REO listings on which Iowa Realty will share commission with Golden Circle Real Estate Group, LLC can be found at www.hudhomestore.com, www.homesteps.com and www.homepath.com, and the payment amount shall be the full amount posted on the Multiple Listing Service as the percentage to be paid to the Selling Firm.

Iowa Realty will continue to pay 0% of the commission percentage posted on the Multiple Listing Service to Golden Circle Real Estate Group, LLC for all other sales of Iowa Realty resale listings. This commission sharing arrangement, including the above revision, shall remain in effect until specifically revoked in writing by Iowa Realty.

If you have any questions concerning this commission sharing arrangement, please feel free to contact me.

Very truly yours,

R. Michael Knapp
President and CEO

