

Calendar

GREC Brokerage Course & Trust Accounts Class

Dates:

- March 10 & 11, 2011
Hinesville Area Board
(912) 368-4227
www.hinesvillerealtors.com/
- March 30 & 31, 2011
GAMLS-South
(770) 961-2203
<http://learningrealestate.com>
- April 27 & 28, 2011
Camden Charlotte Board
(912) 882-5806
www.cccbor.com/

Common Violations Class

Dates:

- March 4, 2011
Capet Capital Board
- March 14, 2011
West Metro Board
- March 15, 2011
GAMLS Tucker
- April 20, 2011
Hall County Board

[Click here to see the latest GREC Disciplinary Sanctions](#)

Georgia Real Estate Commission

Suite 1000
International Tower
229 Peachtree Street NE
Atlanta, GA 30303-1605
Phone 404-656-3916
www.grec.state.ga.us



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2010 - Year in Review & Recent News

William L. Rogers Jr. was sworn in as the new Real Estate Commissioner for the state of Georgia on Tuesday January 18th. He serves as the Executive Officer for the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board. His administrative responsibilities include overseeing the day-to-day operations of the state agency responsible for implementing the license law regulating Georgia's over 90,000 real estate brokers and salespersons and the law regulating Georgia's 5,000 real estate appraisers.

A native of Gainesville, Georgia, Commissioner Rogers earned his Bachelor degree in History at Emory University and a JD degree at the University Of Georgia School Of Law. After a



brief stint as a 2nd Lieutenant in the U.S. Army Signal Corps, Commissioner

Rogers was admitted to the State Bar of Georgia in 1971. Prior to joining the Real Estate Commission, he was a partner at Whelchel, Dunlap, Jarrard & Walker, LLP in Gainesville practicing real estate and banking law.

Other news regarding law changes address Appraisal Management Companies.

On June 2, 2010 the Governor signed Georgia House Bill 1050 that requires Appraisal Management Companies in Georgia to register with the Georgia Real Estate Appraisers Board. This bill amends O.C.G.A. Title 40-39A. The Commission web site provides a list of Appraisal Management Companies.

The electronic newsletter of the Real Estate Commission announces changes in License Laws, Rules and Regulations as they are adopted. Go to www.grec.state.ga.us to sign up for the GREC RENEWSletter.

Focus on Property Management Continues

Property management issues continue to be at the forefront of investigations conducted by the Georgia Real Estate Commission and in other states as well. Consider the Final Order of a case last month in the Atlanta area.

For a year, an individual conducted property management activities without a real estate license. She then determined she needed to obtain a real estate license in order to operate legally. Upon receiving her real estate license she created a new company to provide property management services. Unfortunately,

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Focus on Property Management ...

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the firm was never properly licensed under a Broker with the Commission. In fact, she did not advise her Broker of her property management activities or of the existence of her new company. Despite her effort in obtaining her real estate license, she failed to comply with the License Laws, Rules and Regulations and continued to perform property management services. She made several violations as follows:

1. Any real estate activities of a salesperson must be under the supervision of the Broker holding his/her license.
2. She maintained management agreements directly with landlords, without her Broker's knowledge and consent.
3. She instructed the landlords to pay her directly, not through her Broker, thereby receiving commission payments from someone other than her Broker.
4. She deposited her management fees/commissions directly into her

*Property
Management
requires a real
estate license.*

personal checking account.

5. She did not have or use a trust account registered with the Commission.
6. She advertised property for lease and offered real estate services in the name of her company which was not licensed by the Real Estate Commission.
7. Her advertisements did not include the name and phone number of the firm holding her license and she did not get approval for any advertising from her Broker.

The salesperson was required to comply with the terms of the Citation as follows:

1. Pay \$1,800.00
2. Complete certain education approved by GREC
3. Full compliance with the order within 45 days or the licensee could be subject to greater sanctions.

The **License Law, Rules and Regulations, BRRETA**, as well as **Disciplinary Sanctions** against licensees are accessible from the [GREC web site](#).

Remember: When you own real estate as a licensee, you must still comply with the License Laws, Rules and Regulations. This means your Broker needs to not only be informed of your personal real estate activities, but must approve how any security deposit, earnest money or any trust funds are handled in addition to approving any real estate advertising.



Focus on Terminology: “Property Management”

According to **43-40-1(7)** "Property management services' means the provision, for a valuable consideration, to another of marketing, including referring prospective tenants; leasing; physical, administrative, or financial maintenance; and overall management of real property; or supervision of the foregoing activities for another pursuant to a property management agreement." Basically property management is the performance of real estate services for the owner(s) of real estate in anticipation of receiving a fee. Those services definitely include the handling of security deposits and other trust funds. A real estate license is required to perform Property Management services.

"The license law contains an exception (not available to licensees) that allows an unlicensed person who is a full-time employee of an unlicensed person to perform real estate brokerage activity on property owned by that unlicensed person's employer." **Rule 520-1-.05 (h)**