

## 2013 Calendar

### GREC Annual Schools Meeting

- [November 21-22, 2013  
Athens, GA  
Registration](#)

[Link to GREC  
Disciplinary  
Sanctions  
View Current  
Suspensions  
and  
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[Link to the  
Georgia Real  
Estate  
License Laws,  
Rules and  
Regulations  
and Proposed  
Rules](#)

*Happy  
Holidays  
from the  
Georgia Real  
Estate  
Commission!*

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### Need some CE hours before the end of the year and can't find a class to attend? [Try an Online Course from GREC.](#)

- **Three, 3-hour courses are available for only \$10 each.**
- **The courses are based on the Georgia Real Estate License Laws Rules, and Regulations.**
- **Upon completion of each course, 3 hours of CE credit will be processed to the Commission for a total of 9 hours.**
- **Click here to register [www.jmre.com/grec](http://www.jmre.com/grec).**

## Sales Meeting Topics

According to [43-40-18](#) of the License Laws, Rules, and Regulations, "The broker or qualifying broker shall be responsible for establishing, implementing, and continuing procedures for providing programs for study and review of this chapter and its rules and regulations for all licensed associates".

Brokers are required to provide ongoing training to all affiliated licensees. Some brokers have indicated they use current and past issues of the GREC RENEWS to help with those training sessions. They are available from the home page of the Commission web site. Perhaps a good topic of discussion at the next training session is to ask the licensees, "What are the most common violations?" The comments could be turned in anonymously to the broker prior to the meeting. *...Continued on Page 2*

## Trust Account Tips

- A Trust Account must be a "Federally Insured Checking Account".
  - It can be an interest-bearing checking account.
  - The Trust Account cannot be a savings account, a money market account, or any other type of investments account.
  - Trust funds must be maintained continuously in the Trust Account and cannot be moved from one account to another to take advantage of higher interest rates, etc.
- To comply with Trust Account License Laws, Rules, and Regulations:**
- In the event the Broker opens a new Trust Account and needs to move trust funds, an addendum to the contract or lease must be prepared and signed by all parties to notify the parties prior to trust funds being moved from one Trust Account to another Trust Account.
  - All parties to the contract must agree in writing before depositing the money if the Trust Account will be interest-bearing, and it must be clear who will receive any interest on the funds.
  - For further review, read the [Trust Account 101 Article](#) located on the GREC website.

# Sales Meeting Topics....

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By asking the question, the broker may gain insight into the everyday practices of his/her licensees. He may find that there are procedures that are not necessary or that licensees think some things are violations when in fact they are not. The attending affiliates may realize they are doing something right or wrong and decide further review is a good idea. The following is a list of some of the most common violations:

- Failing to include the license number of both the firm and the licensee on every document.
- Stating that the date the earnest money is actually, physically received is the same as the contract date, binding agreement date, or execution of the contract. Some form contracts make this statement, but seldom is the date exactly the same.
- Failing to disclose licensure status and/or to disclose the licensee's license number when acting as a principal in a transaction.
- Failing to inform the broker whenever the licensee plans to engage in a real estate transaction as a principal.

A group discussion and review of the following 2 sections of the License Laws, Rules, and Regulations may be helpful for the next sales meeting. [520-1-10 Handling Real Estate Transactions](#) and [43-40-25 Violations by licensees, schools, and instructors; sanctions; unfair trade practices.](#)

**Send in your topics and ideas for training of affiliated licensees.**

[Click Here](#)

**They will be posted in a future issue of the GREC RENEWS.**



## Focus on Terminology: "Audit"

The term "audit" can imply many situations and scenarios, some of which can be quite intimidating. **Webster's Dictionary** defines **audit** as "a methodical examination and review or a formal or official examination of an account book". But an audit can involve much more than accounting or bookkeeping records. Depending on the industry and the discipline, an audit can be quite extensive to include detailed supporting documentation. The Georgia Real Estate Commission conducts audits in areas including the following:

- Trust Account management, records, and procedures.
- Brokerage Firm records, policies, and procedures.
- Attending as well as auditing of training programs.
- Records and programs of schools authorized by GREC to offer courses for credit in Georgia.
- Audits in response to a Formal Complaint that warrants further investigation.

The Investigative Staff of the Georgia Real Estate Commission is very thorough in their audit process which can actually benefit licensees. By taking the time to understand the full set of circumstances, the firm and/or licensee are treated fairly. In fact, licensees in Georgia are fortunate to have an investigative staff that is quite experienced and knowledgeable about real world situations as well as the Georgia License Laws, Rules, and Regulations.

Although individual licensees can be investigated, the Broker is responsible for "providing continuing and reasonable safekeeping for all records related to real estate transactions" for three years. **Review [520-1-10](#) "(4) Retention of Copies of Records and Documents:** "Copies of sales contracts, brokerage engagements, closing statements, leases, and other documents related to a real estate transaction required by law to be maintained in a broker's file for three years shall be made available to authorized agents of the Commission upon reasonable request and at a reasonable cost to the Commission."

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# The Appraisers Page

## Useful Links:

[GREAB  
Web Site](#)

[Appraisal Act](#)

[GREAB  
Disciplinary  
Sanctions](#)

## Quick Fix Things Your Mother Should Have Told You

By D. Scott Murphy

I am hard at work on next month's article which will be an in-depth look at the impacts of Chinese Drywall on the marketability and value of your property. Yes, there is Chinese Drywall in Georgia and I will teach you what to look for and how to properly identify it.

So this month I decided to go a bit lighter. First are some tips "your mother should have told you" – followed by some tips "your agent should have told you". Hopefully you will pick up a few bits of useful information or at least have written confirmation of tips you are already giving.

1. Stuff a miniature marshmallow in the bottom of a sugar cone to prevent ice cream drips.
2. Use a meat baster to "squeeze" your pancake batter onto the hot griddle and you'll get perfectly shaped pancakes every time....
3. To keep potatoes from budding, place an apple in the bag with the potatoes.
4. Run your hands under cold water before pressing Rice Krispies treats in the pan and the marshmallow won't stick to your fingers.
5. To get the most juice out of fresh lemons, bring them to room temperature and roll them under your palm against the kitchen counter before squeezing.
6. When a cake recipe calls for flouring the baking pan, use a bit of the dry cake mix instead and there won't be any white mess on outside of the cake.
7. If you accidentally over-salt a dish while it's still cooking, drop in a peeled potato and it will absorb the excess salt for an instant "fix me up."
8. Wrap celery in aluminum foil when putting in the refrigerator and it will keep for weeks.
9. Place a slice of apple in hardened brown sugar to soften it.
10. To determine whether an egg is fresh, immerse it in a pan of cool, salted water. If it sinks, it is fresh, but if it rises to the surface, throw it away.
11. Cure for headaches: Take a lime, cut it in half and rub it on your forehead. The throbbing will go away.
12. Don't throw out all that leftover wine: Freeze into ice cubes for future use in casseroles and sauces.
19. Potatoes will take food stains off your fingers. Just slice and rub raw potato on the stains and rinse with water.
20. Ants, ants, ants everywhere ... Well, they are said to never cross a chalk line. So get your chalk out and draw a line on the floor or wherever ants tend to march. See for yourself.

Looks like I need to buy a bunch of potatoes!!!



# The Appraisers Page

**Useful Links:**

[GREAB Web Site](#)

[Appraisal Act](#)

[GREAB Disciplinary Sanctions](#)

## Quick Fix Things Your Mother Should Have Told You

By D. Scott Murphy

How about some tips for your home?

### QUICK FIXES FOR IMPROVING THE VALUE OF YOUR HOME YOUR AGENT SHOULD HAVE TOLD YOU:

1. Landscaping – too much landscaping and you waste your money but enough to create good curb appeal is well worth it
2. Paint – painting is relatively inexpensive and probably the #1 return on investment. It makes a great first impression for a buyer to enter a freshly painted home – keep it neutral to appeal to the largest pool of buyers
3. Wash your windows – may not seem significant but it is an easy do it yourself project and is often overlooked and helps give your house that well kept and maintained feel. Along with

this you will most likely be removing your screens – do not reinstall them unless you must – it will leave a cleaner look and allow more light in – store the screens for the buyers future use

4. Update the hardware throughout the house - another easy do it yourself project which will go a long way to improving the value of your home
5. De-clutter and remove personal items. This is a common recommendation of agents and stagers but I wanted to reassure you that appraisers are human – yes we are – we put ourselves in the shoes of a typical buyer and this will go along way with a buyer as well as the appraiser when he comes out from the bank.
6. Bedrooms – do you have as many as you think you have. I have outlined the definition of a bedroom in past articles but as far as physical aspects of your home - after gross living area the room count – particularly the bedroom count has the most impact on value. Many homeowners convert two bedrooms to one, removed doors, closets and other features required for a room to be counted as a bedroom.
7. Allowances – generally your seller will be better off replacing the carpet, or painting the house, etc – rather than giving an allowance. The new carpet or new paint will draw more offers and generally result in higher offers than the offer with the allowance (taking into consideration the cost to complete the repair). Also, most lenders do not allow significant allowances and it could cause problems with the appraisal and loan approval.
8. Driveways – seriously damaged, cracked driveways will deter buyers. They also may create a safety hazard and be flagged by the home inspector and appraiser. The slope of the driveway, while out of the control of the seller, must be considered as FHA may not approve financing if the slope exceeds 14%.
9. Taxes and utility bills – get your financial “house” in order. Buyers will be looking at many homes and comparing tax bills and utility bills. Plan ahead as tax bills can only be contested during a 45 day window each year (usually around March/April/May). Think about added insulation, weather stripping and completing other energy conserving projects – which add value in and of themselves – but will result in a series of lower utility bills at the time of listing. Most utility companies offer free home energy audits.
10. Closets – most homes lack sufficient closet space – right, you never can have enough closet space. There are numerous options for closet organization systems.

While none of these suggestions are going to have enormous returns – they are mostly easy homeowner projects. I am asked all the time “what can I do to maximize the value of my home”. There is no one specific answer to that question. Each house is different and so many things must be taken into consideration to answer that question.

I hope you have picked up a nugget or two which will help you and your clients. Be sure to watch for next month’s article on Chinese Drywall. We are in an area where it was not prevalent which make it more dangerous as agents, appraisers and home inspectors do not know what to look for and the remediation costs are enormous!