

Dates to Note

- February 3, 2009  
GREC Brokerage Course  
[Albany Board](#)
- February 4, 2009  
GREC Trust Account Class  
[Albany Board](#)
- February 19-20, 2009  
[Georgia Instructor Training \(GIT\)](#)  
[Atlanta Realtors Center](#)
- March 2, 2009  
GREC Trust Account Class  
[Cobb Board](#)
- March 3, 2009  
GREC Brokerage Course  
[Cobb Board](#)

[GREC Disciplinary Sanctions](#)

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**Focus on Terminology:**

***"Letter of Intent"***

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## Presenting Offers

The real estate license law requires the licensee to present every signed offer according to **520-1-.10**. The law reads as follows:

**520-1-.10 Handling Real Estate Transactions.**

**(1) Presenting Offers.** *A licensee shall promptly tender to any customer or client any signed offer to purchase, sell, lease, or exchange property made to such client or customer....*

Although the law actually refers to "signed offers," this implies a written offer and the licensee should be communicating with the client whether there is any written offer or verbal offer that has been presented. Professionally and ethically the licensee owes the client that communication and information.

There are some contract forms and offer forms being used in the industry that have wording that cause confusion as to the true meaning of an "offer." For example, a published form of a Letter of Intent has the statement within the form that says, *this letter of intent "does not constitute an offer."* The purpose of that wording is designed to make sure that the Letter of Intent is not a "binding contract." Whether it is legally binding or not, does not relieve the licensee of the obligation to present "the offer." Any signed proposal regarding the real estate in question must be presented to the client or the customer, despite what the form may say. For documentation purposes it is best to have the seller write "rejected" on the offer and date it.

In addition, BRRETA very clearly lists the obligations of the licensee when representing sellers, buyers, tenants and landlords. The presentation of offers is addressed in particular in § 10-6A-5, 6, 7, and 8.

**Duties and responsibilities of broker engaged by the seller, landlord, tenant, or buyer:**

- *Timely presenting all offers to and from the **seller**, even when the property is subject to a contract of sale;*
- *Timely presenting all offers to and from the **landlord**, even when the property is subject to a lease or a letter of intent to lease;*
- *Timely presenting all offers to and from the **tenant**, even when the tenant is a party to a lease or a letter of intent to lease;*
- *Timely presenting all offers to and from the **buyer**, even when the buyer is a party to a contract to purchase property; § 10-6A-5.*

BRRETA makes it clear that the presentation of these offers must be in a timely manner; "Timely" means a reasonable time under the particular circumstances." **§ 10-6A-3. Definitions (13).** Offers should be presented as soon as practically possible, particularly when there is more than one offer. The broker should have policies in place for the presentation of offers and the required maintenance of documentation of those offers and activities.

To further review the License Law or BRRETA go the Commission's website at [www.grec.state.ga.us](http://www.grec.state.ga.us), and click *Real Estate License Law* on the left side of the screen under the *Agent/Firms* tab.

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## *If You are a Licensee that Owns or Plans to Own Real Estate...*

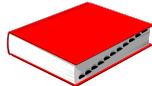
- You must advise your Broker whenever you are involved in a real estate transaction or are planning to be involved in the sale or transfer of real estate.
- You must identify yourself as a licensee with your license number in any offer, contract, lease, etc.
- You must turn in any earnest money, security deposits, or any trust funds to your broker or else you must have a trust account registered with the Commission and with the permission and knowledge of your broker.
- If you have a trust account and hold funds, you must be very careful to avoid even the perception of a conflict of interest with the determination of the disbursement of the trust funds.
- These rules still apply if you only have, or plan to have, partial ownership/interest in a property.

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### *Short Stats*

As of June 30, 2008, The Annual Report of the Georgia Real Estate Commission provides the following data concerning the number of real estate licensees in Georgia.

Active Salespersons	52,480
Active Brokers	18,386
<b>Total Active Licensees</b>	<b>70,866</b>
Includes New Salespersons Licenses Issued	6,571
Active Firms	12,254
Inactive Licensees	21,736



### *Focus on Terminology: "Letter Of Intent"*

A Letter of Intent is defined as ***"an expression of intent to invest, develop or purchase without creating any firm legal obligation to do so...Language is used in a letter of intent to negate any legal duty to carry out the terms of the letter."*** \*

Although a letter of intent may be written in a way that it is not enforceable, it is still considered an offer and should be treated as one by the real estate licensee. All signed offers must be presented to the client or customer.



\* Source: *The Language of Real Estate*, by John W. Reilly, page 239, Fifth Edition 2000, Dearborn Publishing