

Calendar

GREC Brokerage Course & Trust Accounts Class

Dates:

- August 30 & 31, 2011
NE Atlanta Metro Assoc
<http://www.namar.org>
- September 28 & 29,
2011
400 North Board
[www.400northboard
ofrealtors.org](http://www.400northboardofrealtors.org)
- October 5 & 6, 2011
GAMLS
<http://www.gamls.com>

Common Violations

Class Dates:

- September 12, 2011
Georgia Institute
Atlanta, GA
- September 27, 2011
GAMLS
Tucker, GA
- October 4, 2011
Lake Country Board
Greensboro, GA

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Disciplinary
Sanctions](#)

Georgia Real Estate Commission

Suite 1000
International Tower
229 Peachtree Street NE
Atlanta, GA 30303-1605
Phone 404-656-3916



This Issue:

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- Student Loan Defaults **P. 2**
- Resource Reminder **P. 2**
- Focus on Terminology **P. 2**

Reasons to Check those Old Files...

Brokerage Engagements and Expiration Dates

Brokerage Engagements include the following: (to Sell or Lease)

- Exclusive Right To Sell Listing Agreement
- Open listing
- Exclusive Agency Agreement
- Buyer Agency Agreement
- Property Management Agreement



Every Brokerage Engagement must have a definite date of expiration. What about those forms that state the agreement automatically renews for x months? There must still be a definite ending date; it cannot renew into infinity. This situation can be clarified by stating a maximum length of time that includes all renewals. In a slow market, it is not uncommon to see listings continue for more than a year.

Since most listing forms give permission for the brokerage company to market the property, it is necessary for the Broker and his/her licensees to either update the expired listing agreement or sign a new listing agreement to continue to have written permission to advertise the property. This includes any property listed on the internet.

The license law requires that any sign or advertising of any media be removed within 10 days after expiration of the listing. Most online listing services periodically send an email reminder to the Broker or listing licensee to update posted listings. This reminder can help the licensee create a good system to check the actual listing agreement to make sure the listing dates are active and all advertisements for the property are in compliance with advertising License Laws, Rules and Regulations.

Default on a Student Loan can Affect Real Estate License

Currently, 35 real estate licensees have their license suspended due to a default in repaying a student loan. These licensees are unable to conduct any type of brokerage activity while the license is suspended.

An agency titled the Georgia Higher

Education Assistance Corporation (GHEAC) (Code Section 20-3-263) administers a program of guaranteed education loans to eligible students and parents. If a student loan is not being repaid and is in default,

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Student Loan Defaults...*...continued from page 1*

the agency sends a letter to the Georgia Real Estate Commission requesting the Commission to suspend the real estate license of the person named in the letter. The Commission is legally obligated to comply with this request.

The Commission issues a Final Order suspending the license and this Final Order becomes a permanent Sanction on the individual's license record. Upon receipt of written notice by the GHEAC agency that the debt is no longer in default, the Georgia Real Estate Commission ends the suspension and places the license on inactive status. The licensee can then activate the license with a broker using

the Change Application.

In summation, GREC is required by law to suspend a real estate license for default of a student loan and in all of these cases, the licensee cannot practice real estate until the debt is properly settled. [O.C.G.A. 20-3-295.](#)

The letter from GHEAC listing the names of individuals in default of a student loan is also provided to every other State licensing authority that issues and regulates licenses that allow a person to engage in a profession, business or occupation.

Resource Reminder

The Commission provides a Firm Status Report on the GREC web site. It is a quick resource for a wealth of information including the following: [Firm Status Report](#)

- Firm license (number, firm name as registered, active status, renewal date, number of licensees affiliated with the firm and licensees needing to renew)
- License information of the firm's Broker or Qualifying Broker
- Trust Account Information for the firm and its affiliates
- Licensees needing postlicense education and deadlines
- Names of all licensees of the firm who must renew within the current quarter
- Renewal dates and continuing education hours needed by each licensee affiliated with the firm
- To make the most of the Firms Status Report, review the article at: <http://www.grec.state.ga.us/articles/statusreport.html>

***Focus on Terminology: "Bill of Sale"***

Just as a deed is used to transfer ownership of real property, a **Bill of Sale** is used to transfer ownership of personal property. Personal property includes furniture, fixtures, appliances, merchandise, and other items such as motor vehicles. A real estate licensee may have to deal with personal property in the sale of a residence or a business or any other real estate transaction. For instance, the sale of an ongoing or closed business could involve the sale of restaurant equipment, retail inventory, or a refrigerator. Often the transfer of these items is addressed in the purchase and sale agreement and handled by the closing attorney(s). However the real estate licensee must often negotiate the sale of the personal property items in addition to the sale of the real estate. In a transaction involving personal property, there should be a clear understanding, detailed by a list, of the personal property to be included in the sale. An attorney should draft any bill of sale document.