

## Calendar

### GREC Brokerage Course & Trust Accounts Class

#### Dates:

- June 15 & 16, 2011  
Athens Area Association  
(706) 353-1126  
[www.realtorsathens.com](http://www.realtorsathens.com)
- July 13 & 14, 2011  
Cobb Association  
(706) 295-1727  
<http://www.cobbrealtor.com>

### Common Violations Class

#### Dates:

- June 9, 2011  
GAMLS Training - Morrow
- June 21, 2011  
Rabun County Board
- June 22, 2011  
400 North Bd-Dawsonville
- June 23, 2011  
Greater Rome Board

### Georgia Instructor Training Workshop Dates:

- July 14 & 15, 2011  
GIT – Macon  
<http://www.grec-git.com/>

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

### Georgia Real Estate Commission

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



#### This Issue:

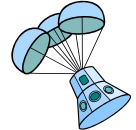
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## Reminders to Remind You

What do you do to remember to do all those things you need to do? As a Broker, how do you make sure the contract you are reviewing contains all those dates, signatures, license numbers, exhibits, attachments, documents and all other items necessary to meet the minimum requirements of the License Laws, Rules and Regulations? What cross-checks are in place to ensure that the earnest money check really was provided 5 days after acceptance like the contract required? Whether it is the firm Policy and Procedures document, a specified person whose job it is to see that specific tasks are complete, or a checklist, there should be some system for reviewing every offer that comes into the firm. The License Laws, Rules and Regulations require that every offer be reviewed within 30 days. ....continued on page 2



## Case in a Capsule



The following is a short summary of a recent case involving the failure of the Broker to properly review contracts. During an office examination, it was determined that the Broker made several violations including the following:

1. Failed to review all sales contracts for compliance;
2. Failed to disclose the Broker's and firm's license numbers for all transactions involving properties in the Named Subdivision;
3. Failed to notify GREC within 30 days of the address change or her personal address and the address of her firm;
4. Failed to include a paragraph disclosing any possible agency relationship in the standard Contract

for Sale for the subdivision

5. Failed to keep a complete copy of the Contract for Sales for the transaction involving Lot #22 in the subdivision.
6. The Contract for Sale in the firm's transaction file was not fully executed.

The Broker was found in violation and a Citation was issued to both her and the firm. The Broker was fined, required to pay \$1,000 to include legal, administrative and investigative expenses, and the Broker was required to complete a 12-hour Continuing Education program on brokerage and Trust Account Issues. If the Broker did not complete these requirements within 45 days, she would be subject to further disciplinary sanctions to her licenses.

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## Reminders...

*...continued from page 1*

There is no exception to this 30-day review requirement. Instead of merely a reminder, all these procedures should be part of a system that all licensees affiliated with the firm are trained to follow.

The Broker is required to provide training to his/her licensees and one of those training sessions could be a review of certain aspects of the firm policies and procedures.

The salesperson or associate broker should review the offer or contract before it ever gets to the Broker for review. A checklist developed by the Broker that must be attached to every offer given to the Broker could save both the licensee and the Broker a lot of time and provide a great system of check and balance for maintaining appropriate records.

There are several sources to help the Broker and other licensees develop their own checklists for their daily real estate practice. The Georgia Real Estate Commission provides several

tools including the following:

- [GREC website](#) includes Archives of How-To Articles and the GREC RENewsletter
- [2 Online Courses](#) that include a review of required documentation, policies and necessary procedures
- [The Georgia Real Estate Commission School](#) home page includes a tab titled Resource Section that actually includes many ideas for checklists and research sites
- 3 Classes that review Trust Accounts, Common Violations and Brokerage activities. The schedule for these is included in the Calendar section on the front page of this newsletter and the [GREC web site](#).

In addition, the licensee can access tools on other web sites such as articles and resources on the [National Association of Realtors site](#). Many of their articles do not require membership and can be a good source of information.



### Focus on Terminology: "Instruct"

***"Every broker or qualifying broker shall be responsible to instruct licensees affiliated with the broker or the broker's firm of the provisions set forth in the License Law and its Rules and Regulations." 520-1-.07 Management Responsibilities of Real Estate Firms.***

The term "instruct" can have a multitude of interpretations. This gives the Broker much latitude in how he/she trains his/her affiliated licensees on the License Laws, Rules and Regulations. **Webster's Dictionary** offers one definition of instruct as being "to impart knowledge in a systematic manner," and "instruction" as "a direction calling for compliance." These terms clearly apply to real estate training. Some methods used by Brokers to instruct licensees may include the following:

- Periodic review and update of the firm Policies and Procedures
- Discussion of current situations involving contract issues and affiliated licensees
- Requiring licensees to complete specific training courses, such as the GREC online courses, contract review classes or GREC brokerage workshop classes
- Scheduling a speaker such as an industry expert or an attorney to speak regarding information related to the License Laws or recent cases

Although the Broker has the obligation to instruct licensees, it is also in his/her best interest since the Broker is responsible for the real estate activities of the licensees affiliated with the firm.