

2012 Calendar

GREC Brokerage Course & Trust Accounts Class

Dates:

- March 28 & 29, 2012
GIRE
learningrealestate.com
- April 25 & 26, 2012
Troup Board
www.tcbor.com
- May 23 & 24, 2012
Valdosta Board
www.valdostaboardofrealors.com
- June 26 & 27, 2012
DeKalb Association
www.dekalbrealtors.com

Common Violations Class

Dates:

- March 26, 2012
GAMLS Tucker
770-493-9000
- March 28, 2012
Camden Board
912-882-5806
- March 29, 2012
912-354-1513
Savannah Board
- April 3, 2012
Valdosta Board
229-242-2085

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

Georgia Real Estate Commission

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Atlanta, GA 30303-1605
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This Issue:

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Working as a Full-time Employee in Real Estate

If a licensee decides to work full-time in real estate as an employee, the licensee must surrender his or her real estate license.

This may be a hard concept to accept considering the amount of time and energy required to obtain and maintain a real estate license in Georgia. However, the law does not allow a licensee to go inactive and be employed by an unlicensed firm or principal for the purpose of performing real estate services for that firm or principal.

There is an exception in the law 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 \(2\)\(h\)](#). Exceptions in the License Laws, Rules, and Regulations only apply to unlicensed individuals. [O.C.G.A. 43-40-29 \(c\)](#).

You cannot be an inactive licensee and qualify for an unlicensed exception.

An actual case involving a salesperson illustrates this situation clearly. The salesperson was actively affiliated with a brokerage firm but was not closing any transactions due to the economy, lack of effort or various circumstances. In order to pay the bills, he decided to search for

full-time employment. Since real estate is what he knew, he focused his job search efforts in that industry. He was hired by an unlicensed real estate firm that develops subdivisions and became their on-site sales agent. At this point, he should have surrendered his real estate license. Instead, he informed his Broker he was placing his license on Inactive status.

In only a short period of time, his employer was pleased with his sales production. However, a buyer was unhappy in a certain transaction and sent a formal complaint to the Georgia Real Estate Commission who conducted an investigation. The Commission concluded that the inactive licensee was performing brokerage activities in violation of the License Law. Inactive licensees may not perform brokerage activities except on real estate solely owned by the licensee. [Rule 520.1.05 \(2\)\(g\)\(h\)\(i\)](#). Consequently, the salesperson was issued a Citation that required him to pay a fine of \$1,000.00 and complete an education course on the License Law.

In addition, the salesperson had to make a decision to either, surrender his license and continue to work for his employer, or return to practicing real estate with his license on active status. If a license is surrendered, an individual must qualify as an original applicant to become licensed again.

Renewal Reminder

- **BEFORE you can renew your license (individual or firm), you must first submit some documents that were not required in the past.**
 - [Click Here](#) to obtain the affidavit form and instructions.

Developments of Regional Impact

In 2011 and 2012, there have been 46 submissions for significant new developments around the state of Georgia.

It can pay for real estate professionals to be aware of the market and proposed new developments. Although there are many smaller developments being permitted in Georgia, there are developments of significant size currently being proposed.

The [Georgia Planning Act of 1989](#) (effective July 1, 2009) requires developments of a certain size to apply as a DRI. "Developments of Regional Impact (DRIs) are large-scale developments that are likely to have regional effects beyond the local government jurisdiction in which they are located. The Georgia Planning Act of 1989 authorized the Department of Community Affairs (DCA) to establish procedures for review of these large-scale projects. These procedures are designed to improve communication between affected governments and to provide a means of revealing and assessing potential impacts of large-scale developments before conflicts relating to them arise. At the same time, local government autonomy is preserved since the host government maintains the authority to make the final decision on whether a proposed development will or will not go forward." *[Click here](#) to view the Rules of the DRI program.

You can view the submissions for individual projects from the DRI website at <http://www.dca.ga.gov/DRI/Submissions.aspx>. Only projects of a certain minimum size must submit an application to the DRI program. The following table shows an incomplete list of some of the Development Thresholds (Section 110-12-3-.07.) For example, if a housing development of over 400 units in a metropolitan area or 125 units in a non-metro area is planned, a DRI is required. Check for projects in your county to see if there are opportunities to assist you in your real estate career.

Type of Development	Metropolitan Regions	Nonmetropolitan Regions
(5) Housing	Greater than 400 new lots or units	Greater than 125 new lots or units
(1) Office	Greater than 400,000 gross square feet	Greater than 125,000 gross square feet
(2) Commercial	Greater than 300,000 gross square feet	Greater than 175,000 gross square feet
(19) Any other development types not identified above (includes parking facilities)	1000 parking spaces or, if available, more than 5,000 daily trips generated	1000 parking spaces or, if available, more than 5,000 daily trips generated

Focus on Terminology: "Cease & Desist Order"

Every real estate license knows the effort and commitment required to qualify, obtain, and maintain a real estate license. Anyone who wants to practice real estate brokerage must make this effort in order to comply with state laws and regulations. It is illegal for any person, directly or indirectly, to engage in (or hold him/herself out to do so) or conduct the business of, or advertise, or act in the capacity of, a licensee without first obtaining a real estate license, (unless such person is exempted from obtaining a license under Code Section [43-40-29](#)).

The Commission may issue a **Cease and Desist Order** prohibiting any person from engaging in the practice of a real estate broker without a license. [43-40-30\(b\)\(c\)\(d\)](#) The **Cease and Desist Order** is final 10 days after it is issued. The Commission can impose a fine not to exceed \$1,000.00 for each transaction constituting a violation and \$1,000 per day a person practices real estate in violation.

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