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2014 Calendar

GREC Brokerage Course & Trust Accounts Class Dates:

- September 24-25, 2014
Athens Area AOR
www.realtorsathens.com
- December 3-4, 2014
GAMLS
www.GeorgiaRealEstateSchool.com

Common Violations Class Dates:

- August 5, 2014
Warner Robins, GA
478-922-0099
- August 14, 2014
Valdosta, GA
229-242-2085

[Link to the
Georgia Real
Estate
License
Laws, Rules,
and
Regulations](#)

[Link to GREC
Disciplinary
Sanctions
View Current
Suspensions
and
Revocations](#)

Georgia Real Estate Infobase

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What's On Record?

Real estate licensees have access to many tools and resources to research property and ownership records. The county offices can provide a wealth of useful information regarding real estate. The individual homeowner, commercial property owner, or business owner may benefit by periodically checking the records online.

In an odd twist, there were numerous cases of fraudulent paperwork being filed against properties in DeKalb and Clayton Counties. In these cases, an individual would create a Quit Claim Deed and forge the seller's name and file it in the county clerk's office on property that was vacant or foreclosed and then go rent the property out to tenants. The party continued to collect rent for several months over dozens of properties unbeknownst to the real owner of the property. Although elected officials are working to pass legislation that would prevent such filings, some counties have established an alert system to notify registered property owners if something has been filed against their property.

DeKalb County actually has a free system provided by the clerk of court website called the [Fraud Registry for Land Records](http://web.co.dekalb.ga.us/clerk/) at <http://web.co.dekalb.ga.us/clerk/>. Property owners (individuals and businesses) can register their property(s), and if a Quit Claim deed, other deed, or lien is filed on their property, the owner is notified by email or text message....*See Continuation on Page 2 What's on Record?*

Warning About Sending Wiring Instructions Through Emails



A real estate licensee must be very careful when getting involved in communicating funding and closing instructions. It is not uncommon for an agent to send the buyer a copy of the wiring instructions from the attorney as a courtesy at the request of the buyer. Unfortunately scammers have found a way to take advantage of the helpful agent. In this case, the agent's personal email has been compromised with a virus or a scammer has tapped into his/her computer. So when the agent sends an email, all the emails are filtered and run through a program so that the scammer identifies emails relating to the transfer of money. The scammer then sends another email to the buyer that appears to be from the agent and is very personalized as if it is legitimate. This email gives different wiring instructions and results in the scammer receiving the funds.....not the closing attorney.

A local attorney, Ned Blumenthal with Weissman, Nowack, Curry and Wilco, is aware of several of these scams in Atlanta, and he says that unfortunately the money is probably gone for good. To avoid such a potential scam, he recommends the following:

.....*See Continuation on Page 2 Warning About Sending Wiring Instructions*

**GREC
Online
Courses**
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Comments or
Suggestions
[Click Here.](#)



To sign up to
receive the
**GREC
RENewsletter**
[Click Here](#)

[Link to the
Georgia Real
Estate
License Laws,
Rules, and
Regulations](#)

**Georgia Real Estate
Commission**
Suite 1000
International Tower
229 Peachtree Street NE
Atlanta, GA 30303-1605
Phone 404-656-3916

What's On Record?

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In addition, in any county in Georgia, property owners can easily check the records online with county property assessor's office or the [Georgia Superior Court Clerk's Cooperative Authority](#) at www.gsccca.org. Although full access to the GSCCCA information requires a nominal fee for a one time use, limited use, or annually, there is free access to a large portion of the database. This site provides access to a collection of recorded real estate deeds, liens, plats, UCC filings, and other documents filed with the County Clerks in Georgia.

To find the site for the county real estate data, search for the Property Appraisal or the Real Estate Assessor office. A sampling of links is provided below:

[Bartow County](#)
[Clayton County](#)
[Cobb County](#)
[DeKalb County](#)

[Forsyth County](#)
[Fulton County](#)
[Henry County](#)
[Tift County](#)



This information can be helpful to property owners when listing a property or collecting data for a buyer. The actual name on the deed may not be exactly the way the owner remembers it. The listing and any contract must be in the name as stated on the deed. The GSCCCA allows the user to print deeds and other instruments of record.

Warning About Sending Wiring Instructions

Continued from Page 1...

1. Do not forward wire instructions. Let the attorney handle all wire instructions and fund transfers.
2. Use the company email system, not a personal email address and hopefully the company service will have more protections from malware.
3. Be sure to use a commercial grade virus removal and protection program and upgrade it regularly on your home computer.
4. If it is necessary to send the buyer an email regarding funding instructions, place a "warning" in the email that says if the buyer receives any revised instructions that look like they are from the licensee, call first, and do not use the "revised" instructions.

Real estate licenses are involved in transactions of hundreds of thousands of dollars so the potential for scamming is real. Be aware of the reach of the email communication system and be cautious when forwarding emails.



Focus on Terminology: "Recordation"

Documents such as deeds and liens that are typically filed on real estate must be recorded in the county where the property is located. Filing a document gives notice to the world that the filer has, or is claiming to have, an interest in the property.

There are several types of deeds that are filed for real estate. "The quit claim deed transfers only whatever right, title, and interest the grantor had in the land at the time of the execution of the deed..." Whereas in a general warranty deed, "the grantor fully warrants good clear title to the premises. A warranty deed is used in most real estate deed transfers and offers the greatest protection of any deed." (*Source: "The Language of Real Estate by John W. Reilly.*) The services of an attorney and a title policy would be best to determine the quality of the title. There are sources online such as www.GSCCCA.org to obtain copies of most documents, but a visit to the courthouse record room can uncover even more information.



Useful Links:

[GREAB Web Site](#)

[Appraisal Act](#)

[GREAB Disciplinary Sanctions](#)

Has the music stopped?

By D. Scott Murphy, SRA

I have received numerous calls from agents over the past few weeks asking if I have seen a change in the market. Many are claiming their volume of sales is down and they are noticing a rise in the number of days on market on their listings.

June data is not available yet, but according to the National Association of Realtors May 2014 report, volume of existing home sales in the south are up 5.7% over April but down 0.5% over May of 2013. Nationally the volume of existing homes sales is up 5% over April but down 5% over May 2013. So those of us in Georgia can rejoice that this year is not much different than last year.



Looking at values of existing homes, in the south median values are up 4.4% vs. last year and 5.1% nationwide vs. last year; average values are up 3.5% in the south and 3.8% nationwide vs. last year. Notice how the numbers are slightly different when you compare AVERAGE values and MEDIAN value. The months of supply of existing homes nationwide is up 12% over last year.

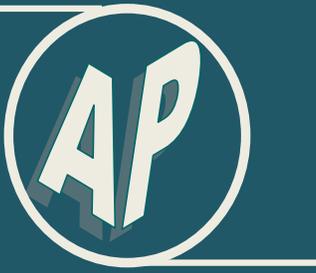
While I do not feel that the months of supply of existing homes in Georgia has increased 12% over last year, I have noticed that we are not in the 1-2 month range anymore and I hear less of the 8-10 offers submitted on the day a property was listed.

The indicator that I track the closest is the Pending Home Sales Index (PHSI) which is a very good predictor of where the market is going and how it is performing against prior terms. The PHSI index for the south for the month of May 2014 is down 1% and down 4% over last May. This tells me there is a slowing in the existing homes market.

If you have been paying close attention to the terminology I have used, you may have picked up on the fact that all this data relates to existing homes. It was supplied by the National Association of Realtors, which collects its data primarily through the member MLS systems. While there is some new home sales data in the MLS, the majority is not. Therefore, they must remove the new home sales and report only the existing home sales because they know the amount of new homes sales data is very limited if included the results may be very misleading due to the lack of the enormous amount of new home sales data.

The problem with the new homes sales market is that it is very difficult to track. Using data from the US Census Bureau and the US Department of Housing and Urban Development, new home sales for May rose 18.6% over April and 16.9% over May 2013. However, this data is based on sampling - obtaining a representative sample

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and extrapolating the findings. Interestingly, the data from the National Association of Home Builders (NAHB) shows a rise in the number of new home sales of 19% for May 2014 over April 2014 and 17% for May 2014 over May 2013. Interesting coincidence?!

If we look back at the rise in new home sales over the past six months we see a the number bounce up and down from -4% to positive 3%, then in April 2014 they rose 4% over March 2014, then in May they leaped to 19% over April 2014. Based on the re-zoning requests and building permit numbers, I anticipate double digit increases, month over month, for the foreseeable future.

For those who read my articles regularly, you will recall two articles which relate to this topic. The first is an article I wrote about statistical data - my point was it is always wrong. Meaning, national or even regional statistics do not necessarily relate to your local market. Even within a given zip code or subdivision, there could be significant variances between different price ranges. For example, the \$200,000-300,000 price range could be increasing at a rate of over 10%, while the \$900,000-\$1M price range could be dropping 5% annually.

The other article which I just wrote in April 2014 was titled "Opportunity of a Lifetime" - maybe the title was a bit over the top but I saw clear signs that the existing homes market was in a very unprecedented position. In this article I made the point that existing home sellers have a very unique situation. New home sales have been almost non-existent for the past 5-7 years and while they are ramping up quickly, this summer is the time to sell your existing home as there will be less competition from new homes.

So how does all this data relate to concerns from some agents that the music has stopped and to my two previous articles? New home sales have come on stronger than I predicted. It is almost impossible to gauge how quickly new homes will come out of the ground. Some builders may have been sitting on land which was already zoned or even approved by the county to build as planned. Others had to start from scratch finding land and working their way through the approval process. Some builders found it easy to reassemble subcontractors and had ready access to materials; others reported difficulties in both these areas.

It appears that many builders were able to go from dirt to doorknobs faster than most anticipated. That rate will only increase as they solidify their pipeline of land, lots, supplies, and subcontractors. There was a window of opportunity for sellers of existing homes which appears to be closing. New home construction will not hurt the existing home sales market but it will rein it in. Days on market will increase and sales prices will not rise at the rate they had in the past. What those agents are seeing is not the real estate market stopping or slowing but a buyers shift towards new homes. Agents who specialize in working with buyers I presume have seen a steady rate of business. It is important to remember that new home sales will continue pull up existing home prices.

Just remember to be careful when you read or quote statistics. Look closely at the fine print and be sure you understand what the numbers truly represent. Do your own research, pull statistics from your MLS system using specific parameters for your clients. The sky is not falling and the music has not stopped - the real estate market is just playing a different tune.