

2018Calendar

Class Schedules and
Events to Be Announced
in January

**Happy
Holidays
from the
Georgia
Real Estate
Commission!**

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

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

[Link to
Proposed Rule
Changes](#)

Georgia Real Estate Infobase

[Click Here](#)

Planning

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Planning Tools and Ideas for 2019

Scholarships For Real Estate Related Designations and Certifications

The Georgia Real Estate Commission funds a grant for the [Georgia Association of REALTORS® Scholarship Foundation](#). Scholarships are available to all Georgia licensees for real estate related courses that lead to a real estate designation or certification. If you recently completed a course to obtain a real estate related estate designation or certification, you may be eligible to receive scholarship money for the course fee. **An applicant has until January 15 to apply for a scholarship for courses completed October 1 through December 31 of the previous year, 2018.** It is worth considering the scholarship program.

[For a list of approved certifications/or designations please, click here.](#) The course or certification must be approved, and according to the GAR website, "if a course is not included on this list, you may submit a completed [approval form](#) to the Professional Development Department at scholarships@garealtor.com. Once the form has been submitted, the Scholarship Foundation will determine whether that course meets the requirements for scholarship eligibility." This scholarship program may be the opportunity you need to pursue a real estate designation in 2019!

December Disciplinary Stats

DECEMBER 2018 Meeting - Commission Actions Taken

Cases Sent to the Attorney General for Review and Disposition by Consent Order or by Hearing	1
Cease & Desist Orders Issued	3
Citations Issued	11
Letter of Findings Issued	0
Consent Orders Entered Into	1
Final Orders of Revocation of Licensure	3
Cases Closed for Insufficient Evidence or No Apparent Violation	9
Licensing Cases - Applicant has a Criminal Conviction - License Issued	6
Licensing Cases - Applicant has a Criminal Conviction - License Denied	0
Total	34

[Click here to review a legend of the disciplinary actions the Commission may impose.](#)

SUBMIT

Comments
&
Suggestions

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

Online Courses from GREC

**\$10 each
3 Hour CE
Course
Total of 9
Hours CE
Available**

(Also Approved
as Instructor CE,
not approved as
License Law CE)

**“Avoiding
Trust
Account
Trouble”**

**“Practicing
Real Estate &
Staying Out
of Trouble”**

**“Being a
Broker and
Staying Out
of Trouble”**

Georgia Real Estate Commission

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Planning Tools and Ideas for 2019

Don't Forget to use the Firm Status Report and Online Services

Brokers have a useful management tool that can help in tracking licenses, currently affiliated with the firm or leaving the firm, managing trust account information, keeping up with license renewals, as well as monitoring education requirements.

The GREC <http://www.grec.state.ga.us/articles/statusreport.html> article explains that the License Status Report can “help the broker avoid disciplinary action for paying commissions to persons who do not hold an active license ...in short, the Firm and Licensee Status Report enables the broker to reconcile the firm's records with information in the Commission's firm and licensee files.”

GREC online services enable licensees to check the status of their education, view a list of courses for which they have obtained credit, and view renewal deadlines as well as other tasks.

Education opportunities are available all year.

The Georgia Real Estate Commission provides education opportunities that are available all year long. All of the following courses are also approved for **Instructor Continuing Education credit**.

Resident Classes:

- A new schedule for the GREC sponsored workshops (Trust Accounts, Brokerage Issues, Common Violations) will be available in January. These classes each provide 6 hours of Continuing Education or instructor credit.

Online Courses:

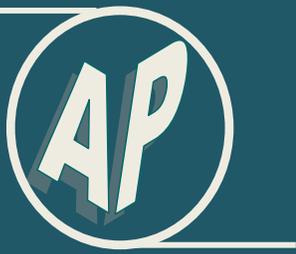
- Being a Broker and Staying Out of Trouble
- Practicing Real Estate and Staying Out of Trouble
- Avoiding Trust Account Trouble



Focus on Terminology: “Records Management”

Every industry, business, or personal household must maintain records, documentation, and necessary paperwork or digital data files. The real estate broker must establish and maintain a record-keeping system not only for trust accounts and files and monetary transactions, but the broker is also responsible for maintaining records and documents for all brokerage activities including every listing, transaction, lease, contract, property management agreement, independent contractor agreement or any document that is a part of the firm's brokerage operations.

These records must be maintained for 3 years from the completion of the transaction. Year-end is a good time to review the current system and cull out some old files. The broker must be able to produce documentation and records upon request by the Georgia Real Estate Commission. This request could be the result of an investigation or it could be a random audit of the firm or the trust account. The data can be in paper form or in digital format provided it can easily be retrieved upon request by the Commission. For a list of documents that must be maintained, review [Rule 5201-10\(4\)](#).



The Appraisers Page

Georgia Real Estate Appraisers Board

December 2018

Useful Links:

[GREAB
Web Site](#)

[Appraisal Act](#)

[GREAB
Disciplinary
Sanctions](#)

Appraisal FAQ's 2018

By: D. Scott Murphy, SRA

Is finished area above a detached garage considered Gross Living Area (GLA)? No, any space which requires you to leave a finished contiguous space, cannot be included in any statement of GLA. This does not mean that this finished space has no value, it just can't be counted as GLA or the rooms added to the room count.

Are there written standards appraisers use to measure a property? Yes, American National Standards Institute (ANSI) first published ANSI Z765 in 1994 established proven methods for measuring a property.

How far can an appraiser go for comparables? There is not limit, however, an appraiser can not pass over a nearby comparable in order to use a comparable farther away. The key word here is **comparable**. Comparable selection starts in the subject's immediate area and expands out based on primary search parameters such as school district, county/community location,

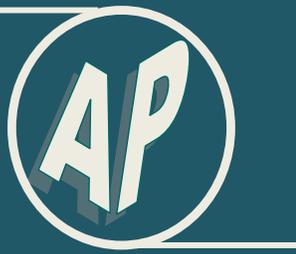
etc. The common misconception is that an appraiser **must** stay within one mile or **must** use sales within one year. These are Fannie Mae *guidelines* designed to guide appraisers in finding the best comparables. In general, a true comparable property which is farther from the subject cannot be used in lieu of another truly comparable property in close proximity to the subject property.

Does the style of the subject property have any impact on the value of a home? Certainly, when interpreting value we must consider anything which a typical buyer feels has value.

How long should an appraiser be at my property? Of course, there is not one single answer to that question. However, if the appraiser leaves the car running and is in and out in five minutes, he probably did not adequately inspect the property. The appraiser is to walk through the home like a typical buyer. He must measure the entire home and take photos of all rooms and any additional amenities. Appraisers have employed digital cameras and laser measuring devices in order to digitally record notes and expedite the measuring process.

Is there a difference in the appraised value of my home and the insurable value? Most often there is a significant difference in the market value of a home and the replacement cost. Market value is the amount a typical buyer is willing to pay for the home. Replacement cost is the amount it would cost to rebuild the subject property. The older and the higher the quality of the subject property, the great the variance would be in these two values.

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Where can I go on the internet to get the most reliable estimate of the value of my home? There are many online valuation websites. These sites use proprietary algorithms combined with public data to estimate market value. This method of valuation is called an Automated Valuation Model (AVM). The reliability of these sites varies greatly from site to site and compared to a true appraisal. If the public record data in your area is generally accurate the reliability might be greater. If your property has been recently updated or your home is unique in style, quality or amenities the reliability might be lower. Be careful relying on these valuations. Review the physical data the site is using for your home and compare it to a prior appraisal. Most AVM's don't distinguish between gross living area (GLA) and gross building area (GBA). If there are significant errors, you generally can contest your valuation and request a re-valuation based on the more accurate data.

How much is a full bathroom worth? This question represents a multitude of questions asked of appraisers regarding adjustments made in the sales comparison approach. Regardless of whether we are talking about the value of a bedroom, bathroom, garage, deck, pool, etc – there are no standard adjustments. All adjustments made in an appraisal are based on the amount a typical buyer would pay for that item. The value of that additional bathroom may be one number in a \$100,000 home and a significantly more in a \$1,000,000 home. Likewise, the value of that bathroom in a \$100,000 suburban ranch may be significantly difference in an urban condominium. There is not list of adjustments. Appraisers must be familiar with the actions of buyers in the subject property market and continue to follow sales to properly gauge differences over time.

Please be sure to check in next month as we update the Appraisers Page to not only contain a month article but appraiser news and updates from the Appraisers Board.