

## 2018Calendar

### Brokerage & Trust Account Workshops

- April 26-27, 2018  
Savannah Area  
REALTORS  
Savannah, GA  
912-354-1513  
[www.savannaharearealtors.com](http://www.savannaharearealtors.com)

### Common Violations Class

- May 8, 2018  
NAMAR  
Duluth, GA  
770-495-7300
- May 24, 2018  
Savannah BOR  
Savannah, GA  
912-354-1513

[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](#)

Race, Color, Religion, Sex,  
Disability, Familial Status,  
National Origin

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## Targeted Advertising

When advertising real estate, licensees must be particularly careful in how they target their prospective clients (buyers, sellers, tenants, etc.). In fact, the term “targeting” can become part of the problem. Students of marketing are taught to find their target market and focus their advertising on the group that is most likely to bring them business. However, for real estate licensees, it is critical to know that targeted marketing could be considered a discriminatory practice. Advertising in a way that “indicates any preference, limitation, or discrimination” could be considered an Unfair Trade Practice and a violation of the License Law, Rules, and Regulations. The Civil Rights Act of 1968 includes Title VIII, commonly known as the Fair Housing Act, which prohibits discrimination concerning the sale, rental, and financing of housing.

The main mission of the Office of Fair Housing and Equal Opportunity (FHEO) is to eliminate housing discrimination. The Fair Housing Administration has many programs specifically focused on educating both practitioners and the public to ensure that no group is unfairly targeted. Remember, the Broker must review and approve all advertising and is ultimately responsible for compliance with Fair Housing rules.

...*Continued on page 2*

*The Broker must review and approve all advertising.*

### March 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	1
Citations Issued	9
Letter of Findings Issued	3
Consent Orders Entered Into	0
Final Orders of Revocation of Licensure	0
Cases Closed for Insufficient Evidence or No Apparent Violation	26
Licensing Cases - Applicant has a Criminal Conviction - License Issued	9
Licensing Cases - Applicant has a Criminal Conviction - License Denied	2
Total	51

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



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

## Targeted Advertising...continued from page 1

The nature of marketing embodies advertising. Advertising encompasses ANY MEDIA, including internet postings, social media, listing sites, signs, postcards, flyers, email broadcasts, and many more methods left to the imagination. A real estate licensee must be careful when advertising properties to be sure that the focus is not to target a specific group of individuals, families or groups. The Broker must carefully review each advertising piece. Consider the following examples of possible violations:

- If a real estate advertisement is published only in a language other than English, it could be considered targeting.
- If a social media site advertises properties and it is only directed to a certain race or national origin, it could be discriminatory.
- If a property management company only advertises to a certain age group, it may be discriminatory.

It is the responsibility of the Broker to review and approve any advertising and contracts. No matter how many agents the broker may manage, the broker is ultimately responsible.

*§ 43-40-25. Violations by licensees, schools, and instructors; sanctions; unfair trade practices*

- (b) Licensees shall not engage in any of the following unfair trade practices:
- (1) Because of race, color, religion, sex, disability, familial status, or national origin:
    - (A) Refusing to sell or rent after the making of a bona fide offer, or refusing to negotiate for the sale or rental of, or otherwise making unavailable or denying, real estate to any person;
    - (B) Discriminating against any person in the terms, conditions, or privileges of sale or rental of real estate or in the provision of services or facilities in connection therewith;
    - (C) Making, printing, or publishing or causing to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of real estate, that indicates any preference, limitation, or discrimination or an intention to make any such preference, limitation, or discrimination;
    - (D) Representing to any person that any real estate is not available for inspection, sale, or rental when such real estate is in fact so available; or
    - (E) Representing explicitly or implicitly that a change has or will or may occur in a block, neighborhood, or area in order to induce or discourage the listing, purchasing, selling, or renting of real estate;

Celebrating the 50<sup>th</sup> Anniversary of the Fair Housing Act (1968-2018)

For more information, go to our website at [www.hud.gov/fairhousingis50](http://www.hud.gov/fairhousingis50)

Follow us: Twitter: @HUDgov #FairHousingis50 or Facebook: HUD



## 50<sup>th</sup> Anniversary of the Fair Housing Act

The National Association of Realtors® recognizes a year-long commemoration of the Fair Housing Act. NAR provides information, videos, and introduces new efforts to address community fair housing issues. Visit the NAR web site at <https://www.nar.realtor/fair-housing/fair-housing-makes-us-stronger-commemorating-50-years-of-the-fair-housing-act>.

**FAIR HOUSING**  
**MAKES U.S.**  
**STRONGER**

Commemorating 50 Years of the Fair Housing Act

## Fair Housing Act Review

The following are excerpts from the Fair Housing Act that are of particular concern to real estate licensees. However, licensees should familiarize themselves with all sections of the Fair Housing Act. You can review the complete Fair Housing Act online on the US Department of Justice website at <https://www.justice.gov/crt/fair-housing-act-2>.

**Sec. 802. [42 U.S.C. 3602] Definitions** (f) "Discriminatory housing practice" means an act that is unlawful under section 804, 805, 806, or 818 of this title.

**Sec. 804. [42 U.S.C. 3604] Discrimination in sale or rental of housing and other prohibited practices** (c) To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination

**Sec. 805. [42 U.S.C. 3605] Discrimination in Residential Real Estate-Related Transactions**

(a) In General.--It shall be unlawful for any person or other entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of race, color, religion, sex, handicap, familial status, or national origin.

**Sec. 806. [42 U.S.C. 3606] Discrimination in provision of brokerage services.** After December 31, 1968, it shall be unlawful to deny any person access to or membership or participation in any multiple-listing service, real estate brokers' organization or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against him in the terms or conditions of such access, membership, or participation, on account of race, color, religion, sex, handicap, familial status, or national origin.

**Sec. 818. [42 U.S.C. 3617] Interference, coercion, or intimidation; enforcement by civil action** It shall be unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his having exercised or enjoyed, or on account of his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by section 803, 804, 805, or 806 of this title.

For further reference, visit the Civil Rights Division, Department of Justice <https://www.justice.gov/crt>.

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"*



*Focus on Terminology: "Fair Housing Act"*

"The Fair Housing Act protects people from discrimination when they are renting, buying, or securing financing for any housing. The prohibitions specifically cover discrimination because of race, color, national origin, religion, sex, disability and the presence of children.

Complaints filed with HUD are investigated by the Office of Fair Housing and Equal Opportunity (FHEO). If the complaint is not successfully conciliated, FHEO determines whether reasonable cause exists to believe that a discriminatory housing practice has occurred. Where reasonable cause is found, the parties to the complaint are notified by HUD's issuance of a Determination, as well as a Charge of Discrimination, and a hearing is scheduled before a HUD administrative law judge. Either party - complainant or respondent - may cause the HUD-scheduled administrative proceeding to be terminated by electing instead to have the matter litigated in Federal court. Whenever a party has so elected, the Department of Justice takes over HUD's role as counsel seeking resolution of the charge on behalf of aggrieved persons, and the matter proceeds as a civil action. Either form of action - the ALJ proceeding or the civil action in Federal court - is subject to review in the U.S. Court of Appeals."

Source: [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/online-complaint](https://www.hud.gov/program_offices/fair_housing_equal_opp/online-complaint)

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Georgia Real Estate  
Commission  
Suite 1000  
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229 Peachtree Street NE  
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Phone 404-656-3916



# The Appraisers Page

## Useful Links:

[GREAB  
Web Site](#)

[Appraisal Act](#)

[GREAB  
Disciplinary  
Sanctions](#)

## Gross Living Area (GLA)

By: D. Scott Murphy, SRA

Probably one of the most important elements of a home, in terms of value, is its overall living space, or “gross living area” (GLA). It is probably one of the most misunderstood elements as well. There are a number of standards for calculating GLA but the one that is used by appraisers is the “ANSI” – American National Standard Institute.

The ANSI standards define “finished area” as “an enclosed area in a house suitable for year-round use, embodying walls, floors, and ceilings that are similar to the rest of the house.” Measurements must be taken to the nearest inch or tenth of a foot, and floor area must be reported to the nearest square foot. Garages are specifically excluded.

The way I explain it is that if you put your foot on the floor of any given level and any portion of that floor is below the grade of the ground, it is considered below grade space and CANNOT be included in GLA. Another way to think of it is that if you could not put a door on any part of the perimeter, then it is below grade space. This comes into play in parts of the country where there are homes with basements and other home styles such as split-level and split-foyer homes where some levels are below the grade of the ground.

The appraiser then will take the areas above grade and count the rooms. The appraiser will count the total number of rooms, then the number of bedrooms and then the number of bathrooms. The room count will only include rooms that are above grade; bedrooms and bathrooms below grade will not be included in the room count. Foyers, breakfast areas, laundry rooms and bathrooms are excluded from the total room count. So for example, we might have a typical two story traditional home. The first floor has a foyer, living room, dining room, family room, kitchen, breakfast area, laundry room and a half bathroom. The second floor might have four bedrooms and two full bathrooms. Our total room count is eight (living room, dining room, family room, kitchen and four bedrooms), our bedroom count is four and our bathroom count is two and a half (8-4-2.5).

Let’s define a bedroom before we go any further. A bedroom is a room of “adequate size” – which is defined as no less than 100 square feet. It must have a closet, a window, and a door; it must be heat/cooled and finished to the same quality as the rest of the house. It must be ABOVE GRADE to be counted as a bedroom. And the most forgotten or unknown factor in defining a bedroom is that it must have ready access to a FULL bathroom. A full bathroom is one that has a shower or a tub as well as sink and toilet. Think about it: if you have a bonus room finished up over a garage, it may have a closet, window, door, heating/cooling, and is finished to the same quality as the rest of the house. If you have to go down the stairs and across the house to use the bathroom, though, the room cannot function on a long-term basis as a bedroom. Another common scenario is that you might have four “bedrooms” on the second floor of a house. Three of the bedrooms have private baths. How is someone in the fourth bedroom supposed to get to the bathroom? If you answered “by going through one of the other bedrooms”, you are incorrect. You aren’t incorrect. It just doesn’t count as a bedroom. That does not function on a long-term basis as a bedroom. We would instead call it a den or office. Probably the most common scenario is as follows: let’s take a traditional two-story house. On the first floor, you have a living room, dining room, kitchen, one half bathroom, laundry and a “bedroom”. The problem here is that the “bedroom” is only serviced by a half bath. Again, this does not function on a long-term basis as a bedroom. Here is where it is valuable to have an appraiser as a consultant during or prior to the construction process of a new house.



# The Appraisers Page

## Useful Links:

[GREAB  
Web Site](#)

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## Gross Living Area (GLA)

**By: D. Scott Murphy, SRA**

Getting back to below grade space, let me stop right here and assure you that value is given to these “below grade” spaces; they just have to be handled separately. By creating and utilizing these measuring standards, appraisers are able to accurately compare and value homes. All appraisers use the same measuring standards as a basis for determining GLA; however, there may be some local exceptions, so it is important to check with a local certified appraiser. One example of a local exception is in lakefront or mountain home communities. The homes are built on such a slope that often, living areas are built into the hill and may span three or four levels. Many times the most upper level (the only part above grade) is just the entry area and great room. Kitchens, bedrooms and other living areas are below grade. The most important thing to remember here is consistency. As long as you are consistent in how you define the space and are sure your comparables are calculated in the same way as your subject, you will be fine. GLA is not as much an issue in parts of the country where all the homes are built on slab.

It is critical that you recognize these factors and determine gross living area correctly. This forms the foundation for the valuation of the entire property.