



## 2019 Calendar

### Georgia Instructor Training Workshops (GIT)

- March 19 & 20, 2019
- October 16 & 17, 2019

[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](#)

### This Issue

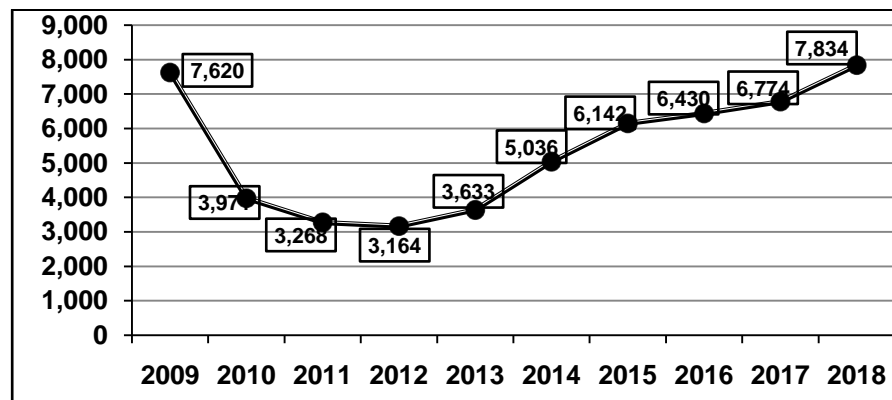
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## 2018 Year in Review

No new legislation effecting real estate licensees was passed in 2018.

The number of new real estate licenses issued by the Georgia Real Estate Commission has been steadily rising over the past several years. 2018 was no different, as the number of new real estate licensees increased significantly. In Fiscal Year 2018, the number of new licenses issued increased by over 1,000 from the previous fiscal year. (See chart below)

Since the 2016 rule change, which requires 3 hours of Continuing Education on the topic of License Law each renewal period, the Commission has seen a decrease in some of the most common violations. The general response to the law course has been favorable and the results appear to have been positive. The Commission will continue to review the possibility of adding additional subject matter to the Continuing Education requirements in an effort to further reduce common violations.



## February 2018 Commission Actions Taken

Cases Sent to the Attorney General for Review and Disposition by Consent Order or by Hearing	4
Cease & Desist Orders Issued	2
Citations Issued	8
Letter of Findings Issued	1
Consent Orders Entered Into	1
Final Orders of Revocation of Licensure	0
Cases Closed for Insufficient Evidence or No Apparent Violation	16
Licensing Cases - Applicant has a Criminal Conviction - License Issued	7
Licensing Cases - Applicant has a Criminal Conviction - License Denied	0
<b>Total</b>	<b>36</b>

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

**SUBMIT****Comments  
&  
Suggestions**

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from GREC**

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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

## 2018 Criteria Changes for Appraisers

On February 1, 2018, The Appraiser Qualifications Board (AQB) adopted changes to the education and experience requirements for obtaining the Licensed (L) and Certified Residential (CR) classifications. All of the adopted changes lessen the 2015 requirements, therefore making it easier for candidates to meet the criteria for these classifications.

Effective October 15, 2018, The GA Real Estate Appraisers Board (GREAB) adopted the following changes to Rule 539-1-.16 regarding the education requirements for L and CR candidates:

1. College-level education requirements for L applicants are no longer required. Applicant must be a high school graduate or holder of a GED diploma. See [Chapter 539-1-.16\(3\)c](#) for details.
2. Alternative college-level education options are now available for CR applicants, and applicant is no longer required to have a 4-year degree. See [Chapter 539-1-.16\(4\)c](#) for details.

## Absolutely Must Know Section



In every brokerage agreement, engagement, or real estate brokerage transaction, the license number of each firm and each licensee participating in the transaction must be included in the document.

[Ref. 520-1-.10 \(2\) Handling Real Estate Transactions \(2\) License Numbers in Offers.](#) A licensee preparing or signing a brokerage engagement or an offer to purchase, sell, lease, or exchange real property shall include the license number issued by the Commission of each firm and of each licensee participating in the transaction. The licensee shall include the six-digit license number issued by the Commission. If a licensee or firm is found in violation of failing to include an individual or firm license number on real estate sales contracts or other real estate documents, the citation imposed would be a maximum of \$600 for a single violation for this infraction with a maximum of \$5,000 for multiple violations.

In general, a citation issued by the Commission may include an order to complete a course of study in real estate brokerage or instruction; to file periodic reports by an independent accountant on a real estate broker's designated trust account; and/or to pay a fine not to exceed \$1,000.00 for any single violation, with fines for multiple violations limited to \$5,000.00 in any one citation.



### Focus on Terminology: “Transaction”

The following are examples of activities that are considered brokerage transactions. If a broker expects to receive a fee in consideration for providing such real estate related services, there must be a brokerage agreement in writing. If a licensee is acting as a principal (even to participate as partial ownership or interest) in any brokerage transaction, written disclosure of licensure is required:

- Leasing, Buying, Selling, Transfer of real estate
- Transactional brokerage
- Listing agreements
- Buyer Agency agreements to produce a seller, buyer, tenant, or landlord ready, able, and willing to sell, buy, or rent the property or in consideration of the broker's performing property management services or
- Performing community association management services.



# The Appraisers Page

## Useful Links:

[GREAB Web Site](#)

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[Appraisal Act](#)

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[GREAB Disciplinary Sanctions](#)

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## Townhouse or Condo?

By: D. Scott Murphy, SRA



A better question regarding the image above is “is it Fee Simple ownership or Condominium ownership?”. The term townhouse is not an ownership type but an architectural style. It is no different than colonial, ranch, split level, etc. A townhouse is a multi-level unit attached to other units. Think of townhomes as single-family homes stitched together. They are almost always on a very small lot, but not always.



The term “town house” originated many years ago to refer to an in-town residence used by nobles for a small part of the year while there were in town for business or during the social season. Most owned large estates in the country on hundreds or thousands of acres. This type of structure allowed residents to be close to work or play without the need for transportation. These dwellings were terraced with as many as six or more floors, allowing for servant housing as well.

A similar type dwelling is the rowhouse. These are generally similar or identical townhomes built in long rows. These were typically not as elaborate and were built as more affordable housing for the middle and lower class.

Elements of both these styles exist in today’s housing and are found in urban and suburban areas. Depending on zoning, townhomes may be single-family or multi-family. For example, four attached townhomes on one lot



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would be considered a quadraplex. The quadraplex would be held in fee simple ownership by a single owner. The land under a townhome can vary from being just the footprint of the building to an unlimited sized lot.

Bringing our example back to a single-family townhome, the land can also be the footprint of the building or an unlimited sized lot. Typically, the lot is a narrow (the width of the townhome), rectangular lot, with a small front lot area and a small rear lot area. This is referred to as a PUD townhome. The exterior architectural style of townhomes can vary greatly from location to location.

When the townhome owner owns no land, the unit is then considered a condominium. Remember, condominium is a form of ownership – not a style. A condominium can take many different forms, including a detached single-family home, a townhome, or even a high-rise loft.

What is important is to differentiate style and ownership rights. When you look at either of the images above, there is no way to know the ownership type without

consulting the deed. There are no visual clues which can tell you for certain what the ownership rights are for any property. I know of at least three neighborhoods of detached single-family homes in the Atlanta area that have condominium style ownership. This means that the owners of those homes only own the interior air space and not the structure or any specified piece of land. Instead, they own a divided interest of all the land and physical improvements. Condominium ownership is a form of fee simple ownership but it typically has significantly more restrictions.

Let's consider the more typical single-family home subdivision in metro Atlanta. The owner owns all the structures and the land as described in the deed. They own the full bundle of rights which include air rights, riparian rights, mineral rights, etc. Another common single-family ownership is a home within a planned unit development (PUD). Very similar to fee-simple as described above but the owner agrees to a set of conditions and covenants, which if violated or not abided to may cause some loss of rights or financial consequences.

A condominium is essentially a property with multiple owners. The term originates from co or com meaning many and dominium meaning sovereigns. As a political term it is a political territory (state or border area) in or over which multiple sovereign powers formally agree to share equal dominium (in the sense of sovereignty) and exercise their rights jointly, without dividing it into "national" zones.<sup>1</sup>The International Space Station is a de facto space condominium, via a program of complex set of legal, political and financial agreements between all parties.<sup>1</sup>



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In a real estate a condominium is an ownership which allows multiple owners to share land and improvements. It is often used in areas of high land values or constrained lot sizes. One way to identify a condominium is if units are stacked, it most likely is a condominium as it is not possible to own the full bundle of right (air rights, mineral rights, etc.). Condominium ownership is often used in apartment conversions, as apartment buildings can be converted to individual unit ownership through condominium ownership.

High-rise residential units are often called condos. Which is true as that is the form of ownership, but the term condo is not a style. The style is a garden unit, flat, loft, townhouse, etc. Like the uncertainty of the difference between the ownership right of a townhouse structure, the ownership right of a high-rise building can be apartment or condominium. The only way to know is to consult the deed.

Multiple listing services and county records alike contribute to the confusion over style and ownership type. Most county records in metro Atlanta, categorize attached units as condominiums. Most condominium townhomes show lot sizes when in fact they do not have a lot at all. Always remember to differentiate style from ownership type and reference the deed to determine ownership type. If you can't determine the answer or still have questions, give us a call!