

Licensee Owned Properties At A Glance

1. Notify Broker in Writing.

- Licensees who are principals in real estate transactions (either in their individual names, or as affiliate of another entity) must first notify their Broker in writing before commencing the transaction. **Ref Rule 520-1-.11(1)**

2. Trust Funds must go into a designated Trust Account registered with the Commission.

- Licensees who receive trust funds on real estate in which they have an ownership interest, must deposit those funds into a trust account.
- The funds can be held in either Firm's trust account, or in a designated trust account owned solely by the Licensee, IF the real estate is owned 100% by the Licensee, AND approved by the Broker, and provide the Broker with regular reports accounting for the funds.
- Licensees who share real estate ownership with others must deposit the trust funds into their Broker's trust account and MAY NOT deposit the funds into a Licensee owned designated account. **Ref OCGA 43-40-20 (h) and Rule 520-1-.08(9)**

3. Disclose, Disclose, Disclose!

- A Licensee shall not act in the dual capacity of agent and undisclosed principal in any transaction. **Ref OCGA 43-40-25 (b) (9)**
- A Licensee acting as principal in any transaction must disclose to the buyer that they are a real estate Licensee and insert a clause in the contract to that effect. **Ref Rule 520-1-.06(4)(a)(b)**
- A Licensee shall disclose manner to all parties in a real estate transaction any agency relationship that the Licensee may have with any of the parties. **Ref OCGA 43-40-25(b)(30)**

4. All advertising must be done in the name of the Firm and approved by the Broker.

- A Licensee affiliated with a Firm may NOT advertise personally owned real estate for sale, lease, etc, in their own name. All advertising must be done under the direct supervision of the Broker and in the name of the Firm.
- If the property owned by the Licensee is not under a brokerage engagement contract, the Licensee must still notify their Broker in writing for consent and to approve the advertisement.
- If the Licensee is Inactive, the ad must disclose that the Licensee holds a Real Estate License. **Ref Rule 520-1-.09(8)**

5. Offers to buy property to obtain a brokerage engagement.

- If a Licensee offers to buy a property to obtain a brokerage engagement contract, or to enable a party to buy or sell another property, they must enter into a written contract to do so prior to, or at the time of, the other party's entering into a contract to purchase. **Ref Rule 520-1-.11 (2)**

6. Inactive Licensees

- A Licensee with an Inactive license may not perform real estate brokerage activity on any real estate unless it is owned exclusively (100%) by the Inactive Licensee. **Ref Rule 520-1-.05 (2) (g)**