

\$\$ Trust Account Basics \$\$

What is a Trust Account?

A Trust Account is a separate, federally insured account, that is maintained through a financial institution and designated to exclusively hold real estate funds.

Who is required to have a Trust Account?

Any Firm that accepts down payments, earnest money deposits, security deposits, rents, association fees or other funds in which another party has an interest.

- ❖ A Firm that does not accept trust funds is not required to maintain a designated trust account.
- ❖ However, if that Firm receives trust funds, they must open a trust account within ONE business day of the receipt of the funds.

Types of Trust Accounts:

Firm Trust Account: a bank account separate and apart from other bank accounts that a Broker may have. Its purpose is to hold funds which the Broker and the Broker's affiliated licensees have collected on behalf of buyers, sellers, tenants and landlords separate from the broker's own funds.

Affiliated Licensee Trust Accounts: A Licensee affiliated with a Firm may open and maintain a Trust Account only for properties 100% owned by the Licensee with the permission of the Broker holding Licensee's license.

- ❖ ALL Trust Accounts must be registered with the GA Real Estate Commission
- ❖ ALL Trust Accounts are subject to examination by GREC
- ❖ Trust Accounts may be interest bearing accounts, however, a written agreement stating which party is entitled to the interest must be obtained.

Trust Accounts can be added, removed and edited, within the Firm record, via the Online Services section of our website.

Refer to OCGA 43-40-20 and Chapter 520-1-.08 for more specific information on Trust Account requirements.