



# Georgia

Real Estate

Commission

## Fiscal Year 2021

### Annual Report



**GEORGIA  
REAL ESTATE  
COMMISSION**

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**MEMBERS**

CINDY RAMPLEY  
Chair

JERRY WARSHAW  
Vice Chair

LEE DOLLAR  
CLAYTON FOSTER  
STEVE GRAVES  
BRENDA THOMPSON

**STAFF**

LYNN DEMPSEY  
Real Estate Commissioner

CRAIG COFFEE  
Deputy Real Estate Commissioner

January 4, 2022

The Honorable Brian Kemp  
Governor, State of Georgia  
Georgia State Capitol  
Atlanta, Georgia 30334

Dear Governor Kemp,

Pursuant to the Official Code of Georgia Annotated §43-40-2 (g), I submit the Annual Report of the Georgia Real Estate Commission, ("the Commission," or the "Agency") for the fiscal year July 1, 2020, through June 30, 2021 ("FY 2021"). This report includes: (1) a summary of actions taken by the Commission; (2) a financial report of Income and Disbursements; (3) staff personnel; (4) the number of persons licensed by the Commission; and (5) steps taken in education and research to disseminate information so all licensees can be better informed to protect the public.

Since the Commission also provides administrative support for the Georgia Real Estate Appraisers Board (GREAB), I have included separate information concerning it though the budgets are combined.

FY 2021 ended with a real estate licensee population of 107,209. This is an increase of 8,160 licensees from FY 2020. FY 2021 ended with an appraiser population of 4,244. This is an increase of 41 appraisers from FY 2020. The licensee population increased in FY 2021 as the number of individuals becoming licensed increased and this offset the number of individuals choosing not to renew a license.

By law, no general State tax revenues may be used to support our Agency's operations. All funding comes from license fees together with retained revenue (reimbursed for disciplinary actions). Because of a large increase in the licensee population in FY 2021, the Agency returned a substantial surplus to the state.

Sincerely,

DocuSigned by:

  
Cindy Rampley  
Chair

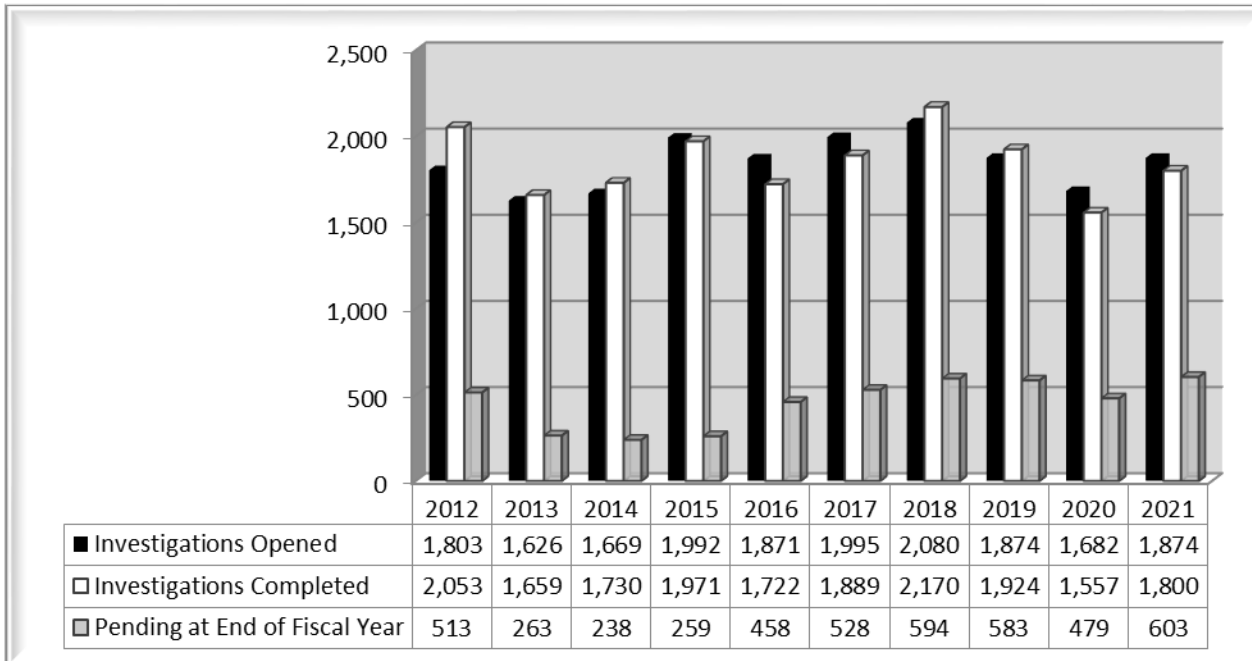
**GEORGIA REAL ESTATE COMMISSION**  
**GEORGIA REAL ESTATE APPRAISERS BOARD**  
**FISCAL YEAR 2021 ANNUAL REPORT**

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## Agency Investigative Statistics by Fiscal Year

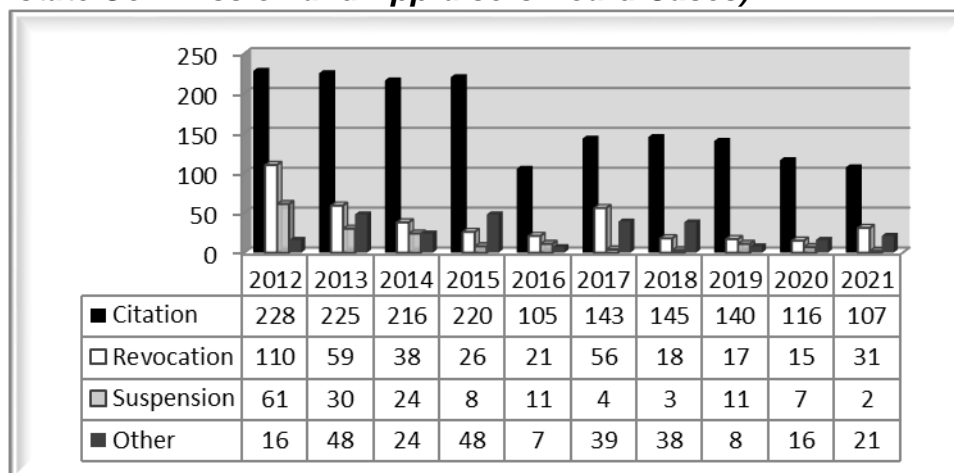
*(Includes Real Estate Commission and Appraisers Board Cases)*



In addition to written Requests for Investigations, the Commission's staff answers a number of questions daily, including complaints and inquiries received from telephone or walk-in individuals. The staff resolves most of these informal matters rapidly to the satisfaction of the public. Many complaints involve contract disputes and require legal assistance. In those instances, the staff recommends that the complaining party seek legal counsel or consider pursuing the matter in court for appropriate action.

## Agency Disciplinary Actions Imposed by Fiscal Year

*(Includes Real Estate Commission and Appraisers Board Cases)*



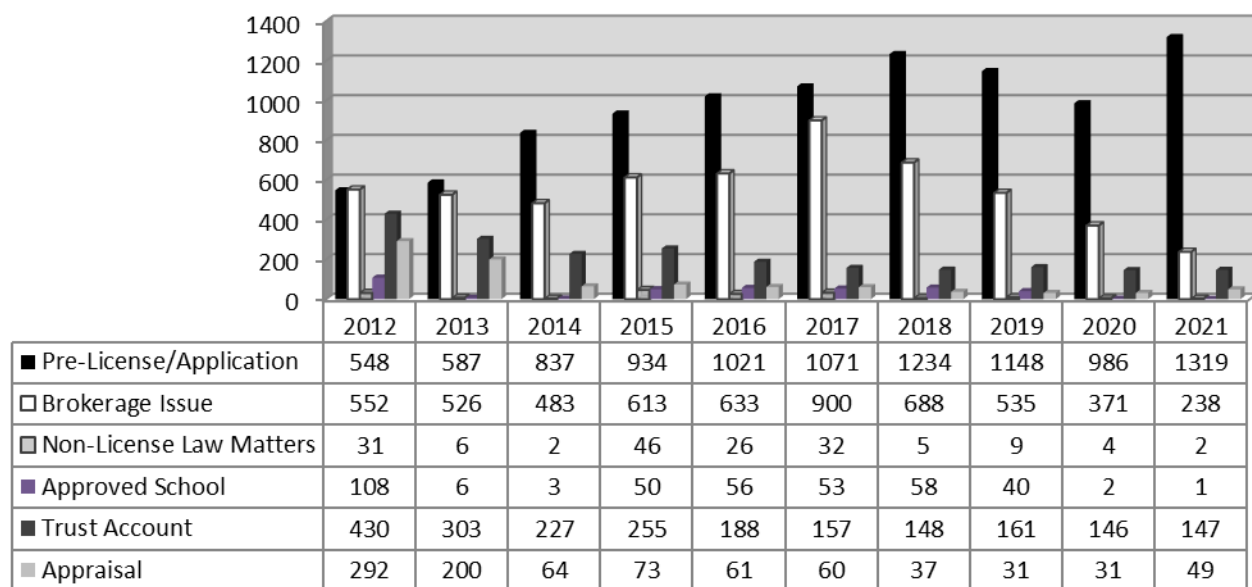
Disciplinary Actions include Citations (generally for less serious violations – 107 in FY21) or Sanctions (for more serious violations – 54 in FY21). The Commission also has an option to send “Letters of Findings” to licensees when an investigation reveals only technical license law violations that involve no harm to the public.

The Commission and Board uses Consent Orders to resolve contested cases. Where there is little dispute regarding the facts in a case and the parties agree on the sanction to be imposed, the Commission and Board use the Consent Order to save parties the time and the expense of a full, formal hearing before an Administrative Law Judge. Most cases are resolved without a formal hearing. Nine hearings were scheduled to be heard before an Administrative Law Judge in FY21 and six hearings were held.

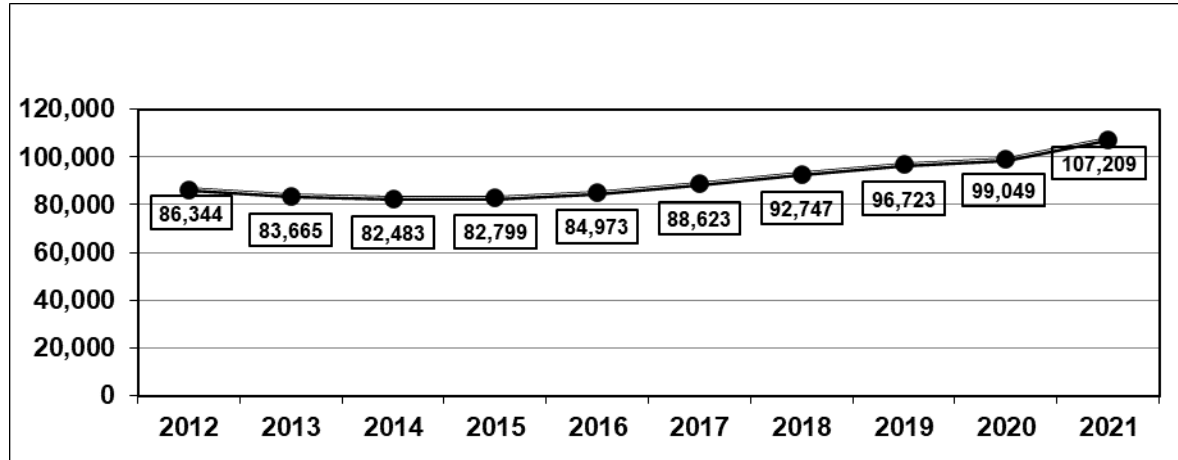
## Fines and Disciplinary Costs Reimbursements Collected

<b>GEORGIA REAL ESTATE COMMISSION &amp; APPRAISERS BOARD</b>			
	<b><i>GREC</i></b>	<b><i>GREAB</i></b>	<b><i>AGENCY</i></b>
<b><i>FINES</i></b>	\$19,300	\$4,200	\$23,500
<b><i>DISCIPLINARY COSTS REIMBURSEMENTS</i></b>	\$55,750	\$11,650	\$67,400

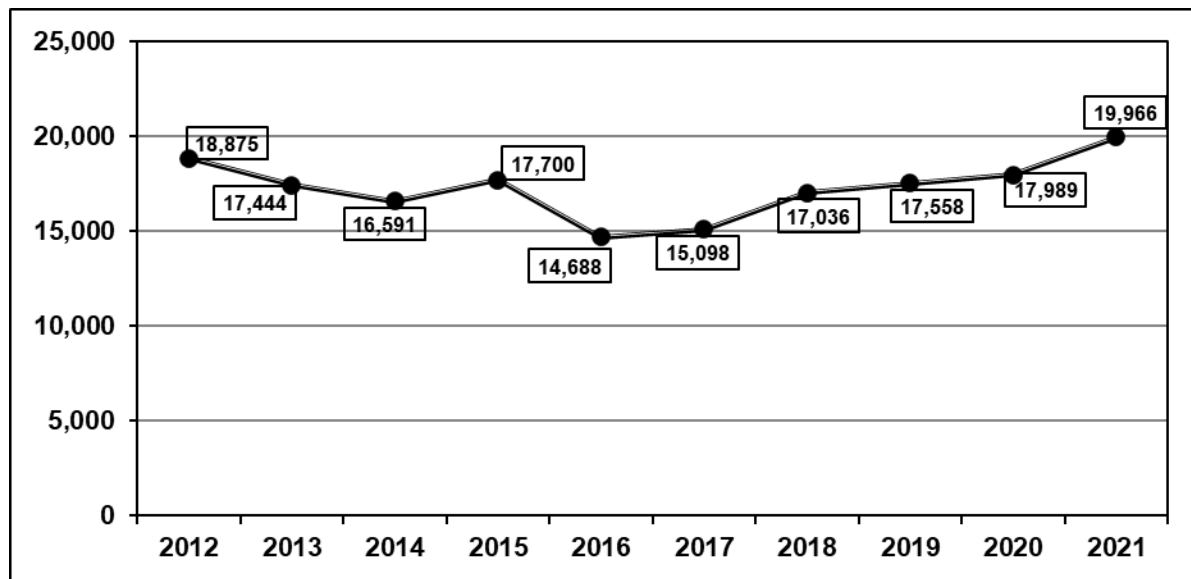
## Agency Investigations Completed by Fiscal Year and Type (Includes Real Estate Commission and Appraisers Board Cases)



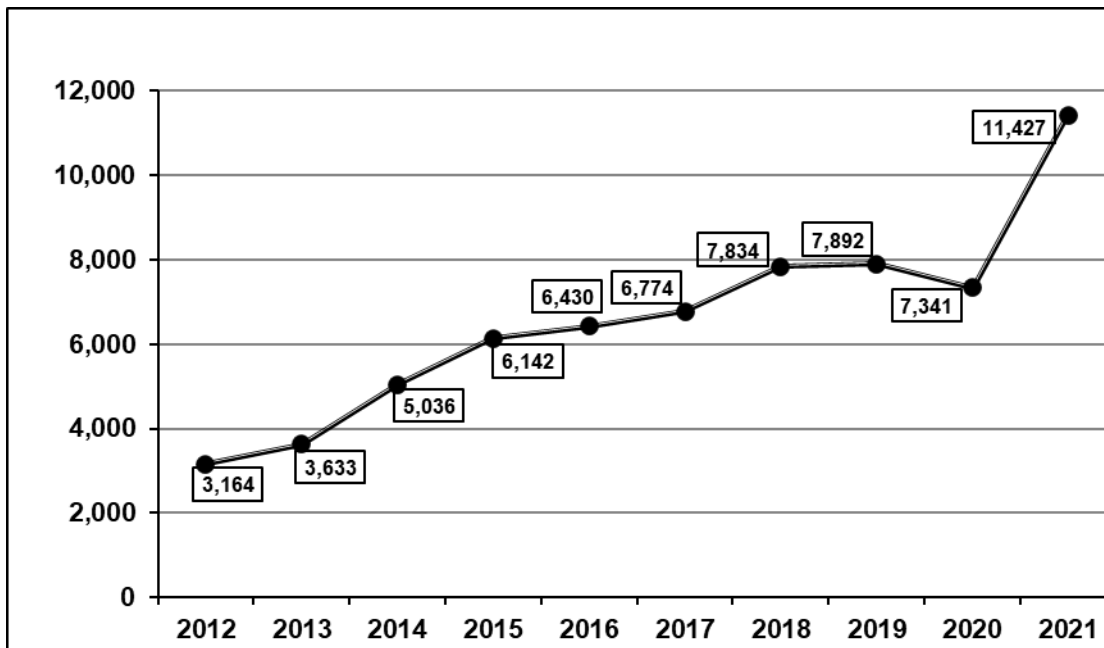
## Real Estate Licensees by Fiscal Year



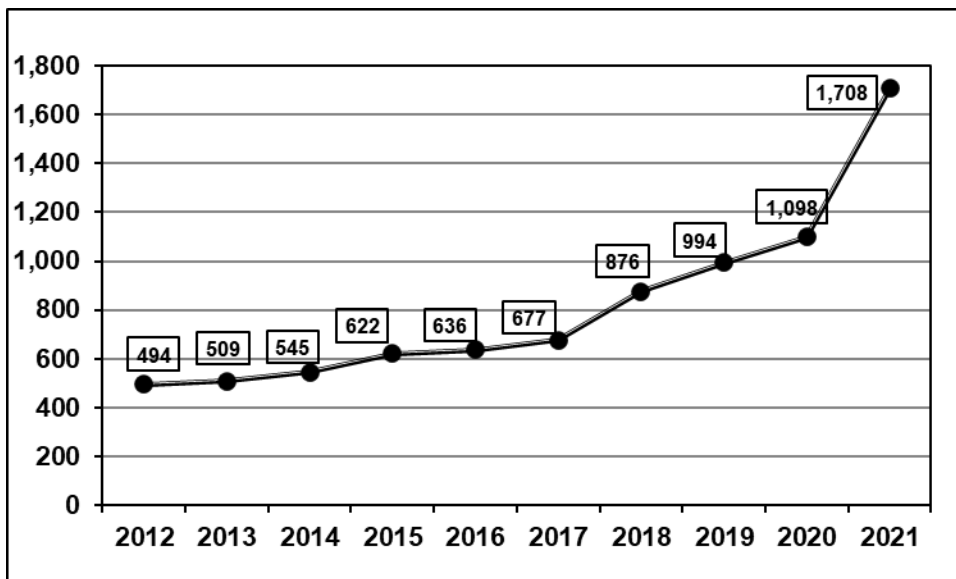
## Real Estate License Renewals by Fiscal Year



## New Resident Real Estate Licenses Issued by Fiscal Year



## New Non-Resident Real Estate Licenses Issued by Fiscal Year



## **Agency's Separate Budget Unit Status**

A 1977 court ruling and subsequently adopted state statutes require that the Commission's budget for direct and indirect costs approximately equal its revenue collections. Revenue collections are fees paid by licensees for both new licenses and the renewal of existing licenses. Direct costs include expenses for which the Commission directly pays; for example, salaries, rent, computer charges, administrative law courts and Special Assistant Attorney Generals (SAAGS) for legal work on disciplinary cases. Indirect costs include the Office of the Georgia Attorney General for additional legal work and the Georgia Secretary of State for Human Resources services. In past years, The Governor's Office of Planning and Budget (OPB) and the Legislative Budget Office (LBO) have instructed the Commission to base its proposed budget so that the State's appropriation to it equals approximately 85% of its income. The 15% difference retained by the State pays the indirect costs.

If the Commission's fee income significantly exceeds the State's appropriations to it, it must reduce fees charged to licensees. Conversely, if fee income falls significantly below the State's appropriations to it, the Commission must increase fees to licensees.

In 1990, the State of Georgia created the Georgia Real Estate Appraisers Board (GREAB). The Commission performs similar services for appraisers as it does for the real estate licensees. It regulates, educates and disciplines appraisers in the same manner as real estate licensees. The budget for the Commission includes the fee income and cost of the GREAB.

From the years 2000 through 2008, the fee income from real estate and appraiser licensees significantly exceeded the Agency's expenditures. This was due to a significant increase in new licensees. However, the licensee population started declining in 2008 and continued until FY15, which showed a slight increase of 171 licensees. Since FY16 the licensee population has increased each year.

In FY16, there was an increase of 2,174 licensees. In FY17, there was an increase of 3,650 licensees. In FY18 there was an increase of 4,124 licensees. In FY19, there was an increase of 3,963 licensees. In FY20, there was an increase of 2,326 licensees. In FY 21, there was an increase of 8,160 licensees.

In addition to the amounts appropriated by the State each year to the Commission, the Commission is allowed by law to retain revenue collected from disciplined licensees to reimburse the Commission for its administrative, investigative, legal costs and expenses ("Retained Revenue").



**Report of Revenues Collected and Amounts Expended by the  
GREC & GREAB for Amended FY 2021**

Revenue

\$4,833,527	Revenue from Real Estate Licensees (New, Renewals, Reinstatements, Penalty Fees & <u>Recovery Fund</u> )
(-\$ 268,125)	Required Deposit into <u>Recovery Fund</u> derived from New Real Estate Licensees
\$ 442,956	Revenue from Appraiser Classifications and Appraisal Management Company's (New, Renewals, Reinstatements & Penalty Fees)
\$ 62,300	Retained Revenues (Cost Reimbursement from Real Estate and Appraiser Licensees for Disciplinary Actions) ( <u>Included carryover of \$0 from previous years</u> )
<u>\$5,070,658</u>	Total Revenue of the GREC & GREAB

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Expenditure (Note: Expenditures by the Commission are limited by law to funds appropriated from the State Legislature and Retained Revenues)

\$2,716,748	AFY 2021 State Appropriation
<u>\$ 62,300</u>	Retained Revenues (Included carryover of \$0 from previous years)
\$ 2,779,048	Total Amount Limited by Law for Spending by the GREC & GREAB
( <u>-\$2,702,332</u> )	Total Amount spent by the GREC & GREAB
\$ 76,716	Unspent Funds from Appropriated Funds and Retained Revenue
<u>\$5,070,658</u>	Total Revenue Collected by the GREC & GREAB
( <u>-\$2,779,048</u> )	Total Limited by Law for Spending by the GREC & GREAB
\$ 2,291,610	Excess Revenue collected from Real Estate and Appraiser Licensees over Appropriated Funds and Retained Revenue
\$ 76,716	Unspent Funds from Appropriated Funds and Retained Revenue
( <u>-\$ 420,000</u> )	<u>Estimated</u> Cost of Human Resource services provided by the Secretary of State and of legal services provided by the Attorney General (Attorney General - \$220,000) (Secretary of State - \$200,000)
\$ 1,948,326	<u>Estimated</u> Excess Revenue from Real Estate and Appraiser Licensees deposited into the State Treasury

## Education, Research and Recovery Fund ("Recovery Fund")

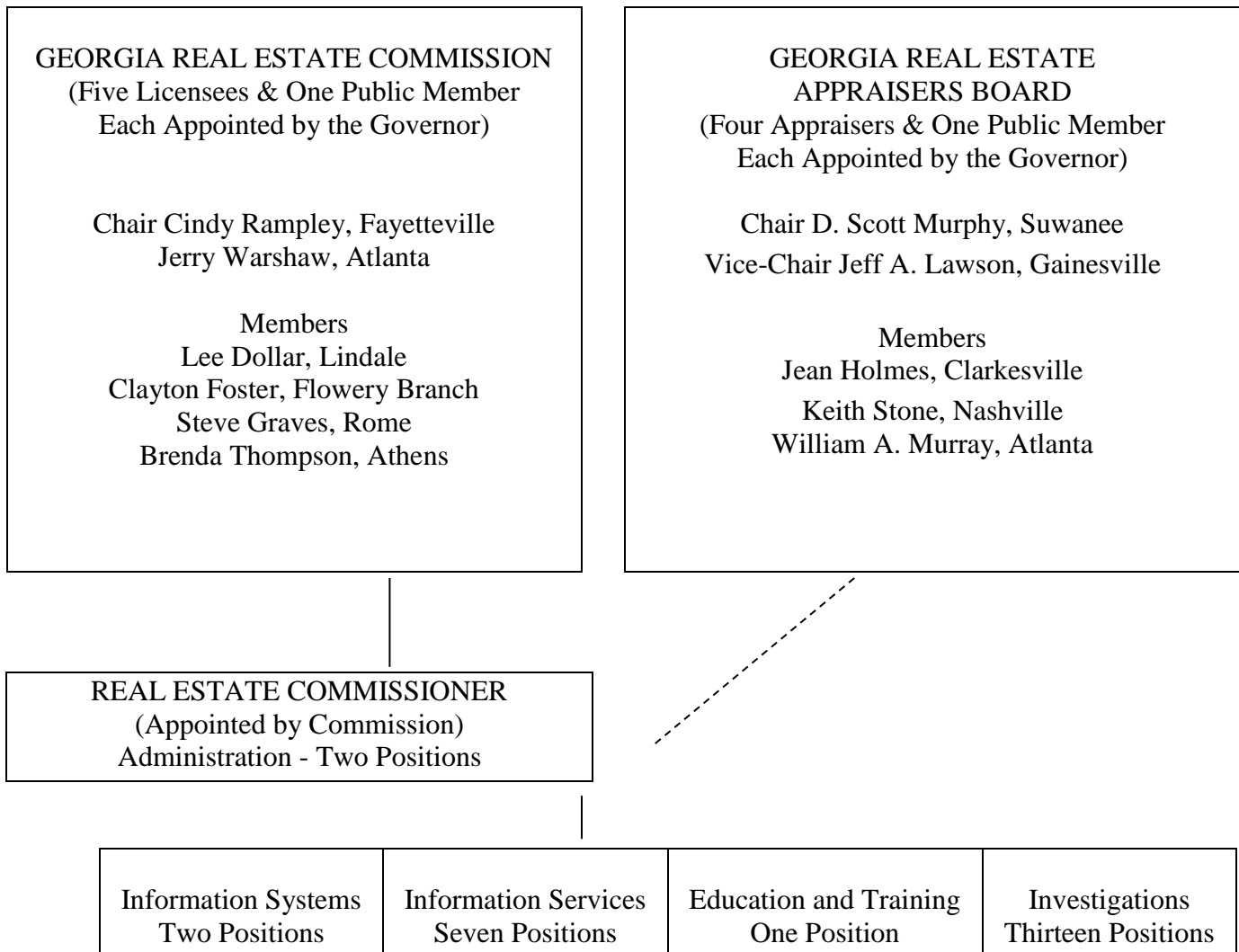
The Recovery Fund is funded from a one-time \$20.00 fee for each original real estate license issued and any interest earned in the fund. The Recovery Fund is used to reimburse non-licensees who have been harmed by a licensee but cannot recover from the licensee after obtaining a judgment against the licensee through the courts. The fund is also used to underwrite the cost of developing real estate courses, conducting real estate seminars, conducting real estate research projects, publishing and distributing real estate educational material, and for education research programs for the benefit of real estate licensees and the public. The Commission is required by law to keep a minimum balance of \$1,000,000.00 in the Recovery Fund. At the end of FY 2021, the Recovery Fund balance was \$2,014,031.

Fiscal Year	Income		Disbursements				Balance
			Judgments Paid & Collection Costs		Education & Research Contracts		
	Licensee Payments	Interest Earned	Number of Judgments	Amount	Number of Contracts Awarded	Amount	
1974-2007	\$4,484,989	\$2,482,356	133	\$801,288	224	\$3,625,860	\$2,540,197
2008	\$181,460	\$83,668	0	\$0	4	\$212,204	\$2,593,121
2009	\$95,200	\$29,720	0	\$0	10	\$348,900	\$2,493,271
2010	\$96,238	\$6,498	0	\$0	10	\$324,491	\$2,276,422
2011	\$74,940	\$3,916	0	\$0	10	\$325,617	\$2,029,661
2012	\$73,520	\$3,205	0	\$0	11	\$357,411	\$1,748,975
2013	\$83,560	\$3,374	0	\$0	10	\$310,813	\$1,525,096
2014	\$112,660	\$4,182	0	\$0	8	\$150,866	\$1,491,072
2015	\$133,380	\$3,046	1	\$7,932	7	\$93,423	\$1,526,143
2016	\$150,820	\$5,592	0	\$0	7	\$118,957	\$1,563,598
2017	\$167,000	\$5,827	0	\$0	7	\$118,858	\$1,617,567
2018	\$169,613	\$5,977	0	\$0	6	\$117,057	\$1,676,100
2019	\$202,700	\$7,350	1	\$25,000	6	\$125,798	\$1,735,352
2020	\$183,548	\$6,410	0	0	5	\$97,090	\$1,828,220
2021	\$268,125	\$7,018	0	0	6	\$89,332	\$2,014,031

## Recovery Fund Contracts FY 2021

Online CE		Classroom CE		Publications		Training	
Brokerage	\$9,800	Common Violations	\$16,000	Electronic Newsletter	\$9,600	School Meeting	\$23,333
Trust Accounts	\$9,800	Brokerage & Trust Accounts	\$21,394			GAR Scholarship Foundation	\$30,000
Common Violations	\$9,800						

## Organizational Chart



### Permanent Employees and Their Years of Service as of June 30, 2021

Lynn Dempsey, Real Estate Commissioner (5)  
Craig Coffee, Deputy Real Estate Commissioner (20)

Frank Ambio (15), Projects Manager  
Deborah Dupree (35), Administrative Clerk  
Tia Griffin-Barnes (14), Investigative Assistant  
Benjamin Gardner (2), Information Specialist  
Cindy Jones Hart (1), Information Specialist  
Teresa Holder (23), Director of Information Systems  
Felicia Hubbard (26), Information Services Manager  
Letitia Jackson (9), Investigations Area Supervisor  
Ken Johnson (6), Education Advisor  
Jennifer Jones (15), Administrative Clerk

Josephine Lee (14), Auditor Compliance  
Shin Shin Liu (20), Network Specialist  
Shonda Mason (22), Investigations Area Supervisor  
Jazmine McRae (3), Investigator  
Brandon Osborne (1), Information Specialist  
Michael Shugart (2) Investigator  
Chantel Smith (1), Information Specialist  
Jon Snelling (9), Investigator  
Kimberley Wimby (21), Compliance Investigator  
Vacant Positions (4)

# Strategic Plan

## The Agency's Mission

The mission of the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board is to ensure professional competency among real estate licensees and appraisers and to promote a fair and honest market environment for them, their customers and clients, and the citizens of Georgia.

## The Agency's Vision

For the public to encounter educated, knowledgeable, and ethical professionals and for those professionals to be able to obtain license renewals in an expeditious manner.

## Core Values

To protect the public in maintaining a fair and honest market for real estate transactions in Georgia.

### FY21 Strategic Plan

State Goal (s)	Agency Goal (s)	Measurable Objective (s)	Strategy
Reform State Government Expand public-partnerships and leverage technology to best utilize limited state resources	G1- Completion of a SQL based Licensing Database by FY22. The project is 90% completed and has 1 remaining module.	M1) We began "Investigations" (Module 10) in March 2020 at a cost of \$67,000. Due to the challenges of the Covid-19 pandemic on agency operations we plan for this to be completed in FY22. Baseline (X) 9 Target (Y) 10	S1) The Agency's Information Technology (IT) Department will work with a private vendor to begin the "Investigations" module in FY20 and complete in FY22. This project is on target to be completed by the end of FY22.
Reform State Government Expand public-partnerships and leverage technology to best utilize limited state resources	G2 - Applicants for licensure will be able to submit original license applications through an online portal accessed through our website. The processing and storage of the applications will be paperless.	M1) Over the next 2 fiscal years, design and launch an online portal to use to process original license applications. (FY22-FY23) Year one we will implement appraiser license applications. Year two we will implement real estate license applications. Baseline (X) 1 Target (Y) 2	S1) The Agency's Project Manager and the Information Technology (IT) Department will work with a private vendor, available through a state contract, to develop the online portal.
Reform State Government Improve agency call centers and similar constituent services to be courteous and helpful	G3 - Citizens will interact with friendly, professional, and knowledgeable Call Center personnel that are known as Information Specialists.	M1) Reduce the Abandonment Rate for the Call Center from 20% to 7% over the next 3 Fiscal Years (FY20 -FY22). We have reduced the abandonment rate from an FY20 monthly average of 20% to an FY21 monthly average of 10%. This is due to both proper staffing level of Call Center agents and a redesigned website that is easier to navigate eliminating the need to call. Baseline (X) 10 Target (Y) 7	S1) The Agency's Information Services Manager will work with the Governor's staff who manage the 1800GA Call Center, to improve our call center's performance metrics.

## Results Based Budget Measures

### SECTION 1: PROGRAM RESULTS AND MEASURES

- 1.1. Agency Name:** Georgia Real Estate Commission  
Georgia Real Estate Appraisers Board
- 1.2. Program Name:** Regulation, through licensing, education, and disciplining of real estate licensees and real estate appraisers.
- 1.3. Program Purpose:** To protect the public and other licensees by regulating real estate licensees and real estate appraisers.

### SECTION 2: PROGRAM GOALS DESIRED RESULTS AND RESULTS MEASURES

- 2.1 Goal 1:** Real estate licensees and real estate appraisers will be qualified and provide competent service.
- 2.2 Desired Result 1.a:** Conducting investigations of the activities of licensees ensures professional competence and promotes a fair and honest market environment

<b>Actual Results 1.a Number of Agency Investigations Completed in a Fiscal Year</b>				
<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
1,889	2,170	1,924	1,557	1,800

**Desired Result 1.b:**

Georgia's passing rates on the qualifying examinations to be within 5 points of the average passing rates of other states giving the same examinations; thereby ensuring that persons successfully passing the exam are minimally qualified to practice real estate brokerage activities.

<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>6% above</b>	<b>1% above</b>	<b>3% above</b>	<b>4% above</b>	<b>5% above</b>

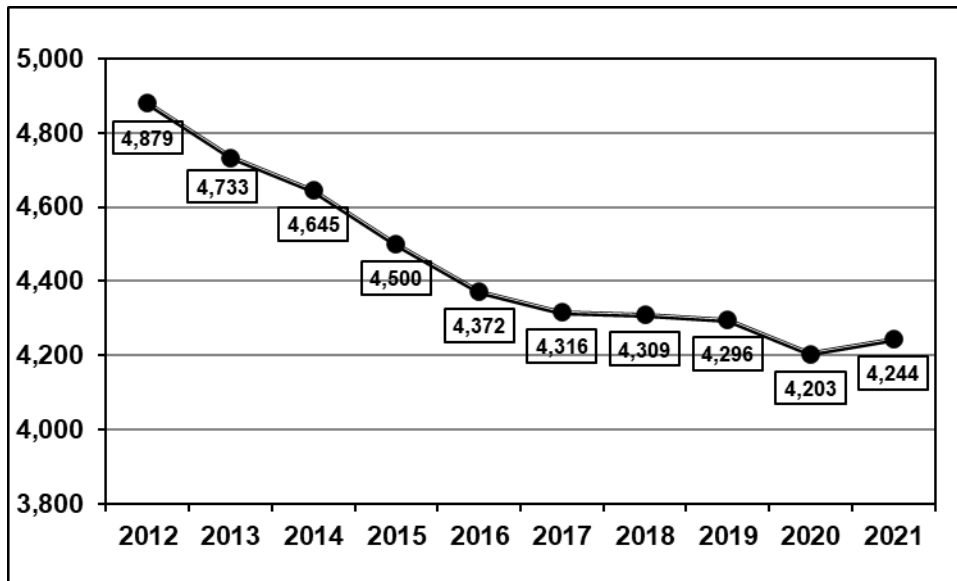
**Goal 2:**

Staff will process all applications submitted to the agency within five business days or less.

<b>Actual Results 2 Service Provided</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
All completed applications will be processed by the staff within five business days of receipt.	98%	97%	96%	95%	90%

# Georgia Real Estate Appraisers Board

## Appraisers by Fiscal Year



## GREAB Disciplinary Actions Imposed by Fiscal Year

