

## 2019 Calendar

### Common Violations Class

- November 12, 2019  
NAMAR®  
Duluth, GA  
770-495-7300  
[www.namar.org](http://www.namar.org)

### Annual Schools Meeting and GRECA Workshop

- December 5 & 6, 2019  
UGA Continuing Ed Center  
Atlanta, GA

Job Opening  
at GREC

[Click for Info](#)

[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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## Tricks and Tips

The Georgia Real Estate Commission provides tips and tools to assist licensees in meeting renewal or continuing education deadlines in addition to providing tools to assist brokers in the management of licenses.

- A trick to remember when your renewal is due is your birthdate. The 4-year renewal must be completed by the end of your birth month, not your birth date. [Check your date online.](#)
- Every broker has access to a broker report each quarter that details the names of all the licensees of the firm who must renew within the quarter including the license number, license type, renewal date, number of continuing education hours due at renewal, and the amount of renewal fees due. <http://grec.state.ga.us/articles/statusreport.html>
- Links to renewal forms are available for licensees. [Renew your License](#)
- Print your License anytime – no waiting for one to be mailed!
- View your License Status
- View [Continuing Education](#) Credits and Courses for the current renewal period
- View Continuing Education Courses taken in the past
- Change your address: Remember you can update your mailing address, email address, and other information on file with the Commission. Address changes must be corrected within 1 month.

[Online Services Login](#)



### October 2019 Commission Actions Taken

|  |           |
|--|-----------|
| Cases Sent to the Attorney General for Review and Disposition by Consent Order or by Hearing | 1         |
| Cease & Desist Orders Issued   | 5         |
| Citations Issued   | 13        |
| Letter of Findings Issued  | 4         |
| Consent Orders Entered Into  | 2         |
| Final Orders of Revocation of Licensure  | 1         |
| Cases Closed for Insufficient Evidence or No Apparent Violation                              | 10        |
| Licensing Cases - Applicant has a Criminal Conviction - License Issued                       | 4         |
| Licensing Cases - Applicant has a Criminal Conviction - License Denied                       | 0         |
| <b>Total</b>   | <b>40</b> |

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



## Tips...

- Tips to prepare for an audit or update office policies and practices: Review the [Office Practices And Trust Account Review document provided online.](#)
- Studying for the broker exam? Review the tips and tricks to study for the Broker Exam in the [Study Guide for the Georgia Broker Simulation Examinations](#)
- Easy trick to find a Real Estate Agent by name or licensee number: <http://www.grec.state.ga.us/clsweb/realestate.aspx>
- The GREC Schools web site provides a [Recent Law Updates](#) tab that lists summaries and links to recent legislation that is related to the practice of real estate.
- Use the online resource [Georgia Real Estate Infobase](#) for real estate brokerage, real estate concepts and practical knowledge.

[Link to the Georgia Real Estate License Laws, Rules, and Regulations](#)



## SUBMIT

Comments & Suggestions

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”*

### Quick Tips on Rental properties...

The following questions were recently submitted by a broker that has an agent that manages 15 houses, collects rent, and signs new leases for the owner.

1. Should I keep all leases agreement copy? YES
2. Should my agent send me all deposit collected or rent collected into trust account of my firm? YES  
If the lease contract states Landlord holds the deposit, should the tenant write the check directly to the landlord? YES
3. If the landlord provides \$500 funding for rental house maintenance, should it be deposited into my firm trust account? YES  
Although it is not required, it is recommended that a separate trust account be maintained for rental properties.

## Absolutely Must Know Section



The firm should keep files and records of both accepted offers and unaccepted offers. Offers can be verbal or written. Offers can be made and never signed as an agreement, but it is still an offer. All written offers must be maintained for 3 years.

References: [Link to GREC Article Maintaining Files on Transactions Rule 520-1-.10 \(4\) Handling Real Estate Transactions](#)



### Focus on Terminology: “Offeror and Offeree”

- The Offeror, usually the Buyer, is the party extending an offer to another party.
- The Offeree, usually the Seller, is the party receiving an offer.
- When a counteroffer to the original offer is presented, the parties are reversed. The Seller making the counteroffer becomes the Offeror, and the Buyer receiving the counteroffer is the Offeree.

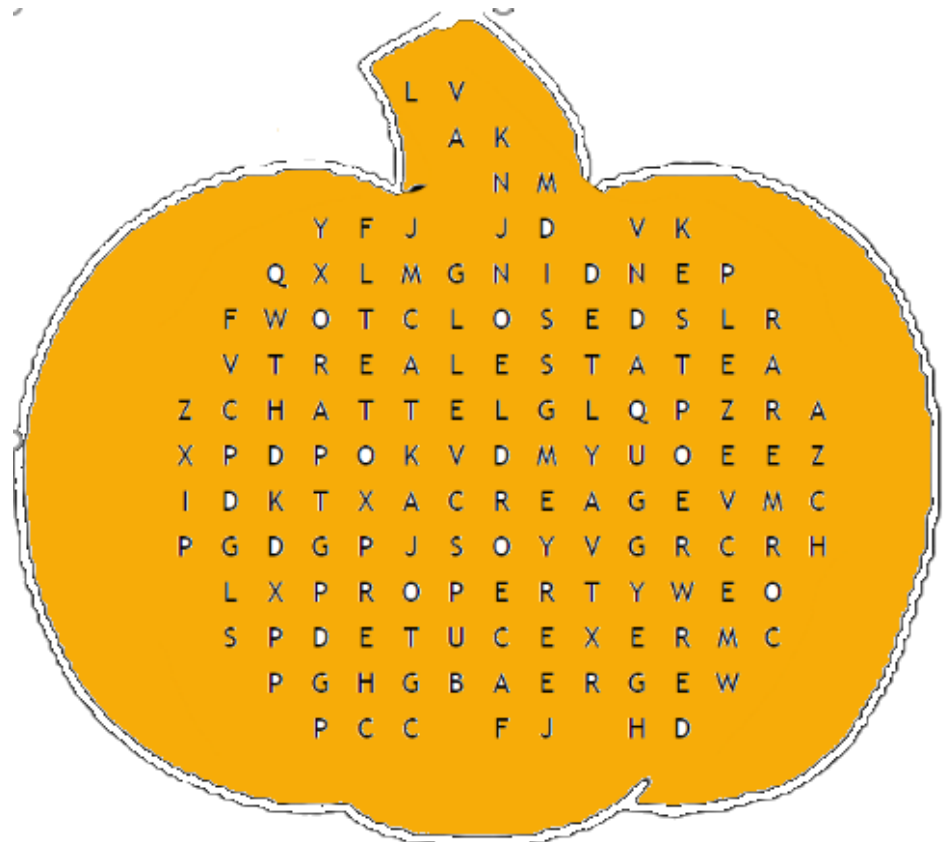
**Georgia Real Estate Commission**  
Suite 1000  
International Tower  
229 Peachtree Street NE  
Atlanta, GA 30303-1605  
Phone 404-656-3916

# Halloween Training Treats

- | Across  | Down  |
|---|---|
| 2 Transportation for a witch                  | 1 Spiders nest in vacant houses                   |
| 4 Deed has transferred to buyer               | 3 Unfair Trade Practices                          |
| 5 Nigh flying mammals                         | 4 Property other than real estate                 |
| 7 Orange squash at Halloween                  | 5 Qualifying licensee in charge of brokerage firm |
| 10 Contract obligations have been performed   | 6 Large kettle for witch's brew                   |
| 12 Course required in first year of licensure | 8 Not yet closed                                  |
| 13 ___ or treat                               | 9 43,560 SF                                       |
| 15 Georgia Real Estate Commission             | 11 Georgia Real Estate Appraisers Board           |
|   | 14 Official Code of Georgia                       |



**CHATEL**  
**REALESTATE**  
**PROPERTY**  
**ACREAGE**  
**LOT**  
**PENDING**  
**CLOSED**  
**EXECUTED**  
**GREC**  
**GREAB**  
**HOME**  
**LAND**



Across: 2. Broom, 4. Closed, 5. Bats, 7. Pumpkin, 10. Executed, 12. Postlicense, 13. Trick, 15. GREC.  
 Down: 1. Cobweb, 3. UFT, 4. Chattel, 5. Broker, 6. Cauldron, 8. Pending, 9. acre, 11. GREAB, 14. GREAB



# 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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## Appraisal Q & A

By: D. Scott Murphy, SRA

**Question:** In the appraisal of property on Army Corp of Engineer controlled lakes or utility company-controlled lakes, how is the value of the dock accounted for?

**Answer:** These lakes were built and are being managed for the purpose of controlling water flow, providing drinking water, recreation and creating electricity. The shoreline is still under their control (and ownership) and in most instances creates a buffer between the lake and privately-owned property. Owners are provided deeded access to the lake and may apply for dock permits. Once granted a dock permit, the managing authority will establish the location of the dock. With few exceptions, the dock is located on the managing authority's property.

The first question is whether the dock is personal property or realty. In order to be considered realty the amenity needs to be permanently affixed to the property. For example, hot tubs sitting on the back deck are personal property not realty. Also, the hot tub is not integral to traditional enjoyment of the property. The dock is floating on water and attached to the shore with steel cabling. However, it can easily be moved or removed from the property. The next issue is that while one might argue its attached to land; it is not attached to the subject property land. How can it be considered realty if it is not attached to the subject lot?

It can be argued that the dock is personal property and not even located on the subject property, therefore, it should not be included in the appraised value of the subject property. While this is true, the dock is integral to the traditional enjoyment of the property. The market places significant value on the existence of the dock.

What is important to understand is that most of the value contributed by the dock is in the dock permit itself. Many lakes limit or restrict the style and size of the dock. Some lakes such as Lake Lanier are not even issuing dock permits currently. The difference between a property with a dock permit and one without could be hundreds of thousands of dollars. The contributory value of the dock itself is minimal, therefore, by local exception, appraisers in many areas include the dock in the appraisal and simply make small adjustments for variance in the size of the dock. Another consideration would be for enclosed docks on Lake Lanier or oversized docks which are grandfathered and no longer allowed to be built. Buyers will pay a premium for these situations and the appraiser must account for this.



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## Appraisal Q &A

By: D. Scott Murphy, SRA

**Question:** How far back in time can an appraiser go for comparables?

**Answer:** There is no limit. Many of you may have answered 90 days or 6 months or 12 months. These are lender-imposed **guidelines**. The idea is that you should use the most recent **comparables sales**. It's a delicate balancing act between expanding time and distance parameters in order to use the most representative comparable properties. The appraiser is not allowed to ignore recent comparables for the use older comparable sales. In most situations it is not necessary to expand time parameters beyond one year but with extremely unique properties or properties in remote areas, there is no other choice.

**Question:** I noticed in a recent appraisal that the appraiser included two active listings. I was taught that you can't use active listings because a person can list their home for whatever they want and that may not represent market value.

**Answer:** You are correct, and the appraiser was correct. Good appraisal practice (and most lenders) require the appraiser to closely analyze the current market. Adding active listings and/or pending sales help identify the direction of the current market. These comparables are used for reference only and can not be used to establish value. The appraised value must be within the adjusted range of the SOLD comparables only. I often use the actives to tell me what the subject property is NOT worth.