July 2021 Volume 17 Issue 7 Monthly Newsletter of the Georgia Real Estate Commission

# **GREC RENews**

## Calendar

GREC Annual School Meeting December 2-3, 2021

> Link to the Georgia Real Estate License Laws, Rules, and Regulations

Link to GREC Disciplinary Actions View Current Suspensions and Revocations

## Competency In Action

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A real estate licensee in Georgia is authorized to practice real estate brokerage activities for a fee in any aspect of real estate practice. Although licensees complete a prelicense course that focuses on residential real estate sales, the licensee is not limited to practicing residential transactions. However, if a licensee intends to practice commercial real estate, property management, land transactions, industrial real estate, leasing services, or other areas, he/she must be competent to provide those services in a manner that protects the public interest. The real estate licensee must be careful not to practice outside their level of competence or expertise. A licensee is held to standards when giving advice and assistance to consumers regarding real estate matters.

One of the key elements in determining if a violation of a license law has occurred is whether the licensee has committed an Unfair Trade Practice by, "Having demonstrated incompetency to act as a real estate licensee in such manner as to safeguard the interest of the public or any other conduct whether of the same or a different character than heretofore specified which constitutes dishonest dealing." Chapter 43-40-25 (25)

GREC allows Georgia licensees to select the subject matter of the courses they take for Continuing Education and Post-license courses so that licensees can advance their knowledge and become competent in various areas or specialties of real estate. <u>A link to</u> <u>schools approved by GREC</u> to offer courses for credit is on the GREC web site.

Although it is not a requirement of GREC, the <u>National Association of Realtors® Code</u> of <u>Ethics and Standards of Practice</u> is a good example of standards of professional conduct and one that must be followed by members of any Board of Realtors®. Article 11 of the NAR Code of Ethics addresses the issue of competency by stating:

"REALTORS<sup>®</sup> shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client."

continued on next page ....

Link to Proposed Rule Changes

#### Georgia Real Estate Commission

Suite 1000 International Tower 229 Peachtree Street NE Atlanta, GA 30303-1605 Phone 404-656-3916

#### July 2021 Commission Actions Taken

Cases Sent to the Attorney General for Review and Disposition by Consent Order or by Hearing	0
Cease & Desist Orders Issued	1
Citations Issued	6
Letter of Findings Issued	2
Consent Orders Entered Into	1
Final Orders of Revocation of Licensure	2
Cases Closed for Insufficient Evidence or No Apparent Violation	11
Licensing Cases - Applicant has a Criminal Conviction - License Issued	9
Licensing Cases - Applicant has a Criminal Conviction - License Denied	1
Total	33

### Online Courses from GREC

#### approved for:

- ✓ License Law✓ Continuing
- Ed ✓ Instructor CE
- ✓ 3 9 Hours CE
- 1. Being a Broker and Staying Out of Trouble
- 2. Avoiding Trust Account Trouble
- Practicing Real Estate & Staying Out of Trouble

Click Here to Enroll \$10 Each

> To sign up to receive the GREC RENewsletter Click Here

Submit a Comment or suggestion Click Here

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## Competency

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To assist licensees in gaining competency by obtaining a professional designation in a particular area of real estate practice, the Georgia Real Estate Commission helped establish the Scholarship Program with the Georgia Association of Realtors® that partially reimburses a licensee for courses taken to obtain a variety of professional real estate designations. <u>Click here for more details and the Application for Scholarship money.</u>

It is difficult to specifically define what is required to be competent. However, in order to provide competent service, the licensee is expected to 1) use good judgment, 2) obtain training appropriate to the task, and 3) seek the advice of his/her broker.

Usually, an individual recognizes when he/she is reaching beyond his/her competence level in a transaction, or in providing advice. If that is the case, it is best to seek the advice of the broker or an expert in the matter of concern. The real estate licensee can obtain needed training by pursuing specialized designations, focusing continuing education on specific specialties, and gaining experience through cooperation and assistance with other licensees experienced in that field.

## **Education Options for Real Estate Instructors**

The <u>Georgia Real Estate Educators Association (GREEA)</u> is a statewide organization established with the purpose of providing development opportunities for instructors. Courses are offered that allow licensed instructors to obtain the required continuing education hours. GREEA is open to licensed instructors, as well as unlicensed instructors, who solely offer continuing education courses.

For further information, visit www.greea.org.

## Absolutely Must Know Section

In addition to the License Law, Rules and Regulations, the licensee should be wellversed in the duties and obligations of the Georgia Agency Law, <u>BRRETA (Brokerage</u> <u>Relationships in Real Estate Transactions Act.)</u>

If a licensee chooses to specialize by the party they represent, such as a being a buyer representative, BRRETA provides a guideline for those duties and obligations of both the client and the customer.

10-6A-4. Broker's legal relationship to customers or clients.

10-6A-5. Duties and responsibilities of broker engaged by seller.

10-6A-6. Duties of broker engaged by landlord.

10-6A-7. Duties of broker engaged by buyer.

10-6A-8 Duties of broker engaged by tenant

## Foc

Focus on Terminology: "Competent"

The Merriam Webster dictionary defines *competent* as "having requisite or adequate ability or qualities; legally qualified or adequate." In real estate, competence goes beyond just having an active real estate license. Competency includes the ability to recognize when to seek the help of a more experienced associate or to refer the client to another licensee who can competently handle the transaction and protect the public interest.

In contrast, synonyms for <u>*Incompetent*</u> include unqualified, unskilled, inept, unable, unfit, unfitted, and inapt. Clearly, the term unqualified would apply to lack of knowledge, skills, or the experience needed to provide competent services.