July 2023 Volume 19 Issue 7

Monthly Newsletter of the Georgia Real Estate Commission

GREC RENews

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Offices and Phone Numbers: Avoid Misleading or Misdirecting

The multitude of available communication systems, whether it is cellular, VOIP, Internet, cloud based, or various messaging services creates challenges for Broker oversight of their affiliated Licensees. These systems provide advanced features to improve communicaton between Brokers and their Licensees and between clients and customers and their Licensees. However, these systems need to be implemented into the Firm business practices with the License Law, Rules and Regulations in mind. For instance, some systems allow an assigned direct-dial extension, or allow the listing agent to have calls forwarded to a number of their choice, such as a cell phone.

However, any advertisement of real estate must have the main phone number of the brokerage Firm included on the advertisement; this includes Internet or social media postings. Anyone calling the number should be able to identify the Firm he/she is calling and be able to contact the Broker from that main number. This is the same rule that applies to signs installed on properties listed for sale or lease.

Communication systems are a useful and necessary tool for the Broker in managing Licensees. For example, the ability of the Broker/Manager to access voice mails or messages of staff or utilize caller ID tracking enables the Broker to follow up on transactions when a Licensee is on vacation or otherwise. Various reports can be provided that detail activities of Licensees and can serve to improve the efficiency of the office leading to more closed transactions.

As technology continues to evolve, the Broker needs to review and revise the management policies and procedures of the Firm so that they comply with the License Laws, Rules and Regulations.

Job Opportunities at the Georgia Real Estate Commission

Investigator Click for More Information

Information Specialist Click for More Information

June 2023 Meeting - Commission Actions Taken

Cases Sent to the Attorney General for Review and Disposition by	
Consent Order or by Hearing	0
Cease & Desist Orders Issued	0
Citations Issued	4
Letter of Findings Issued	1
Consent Orders Entered Into	0
Final Orders of Revocation of Licensure	3
Cases Closed for Insufficient Evidence or No Apparent Violation	13
Licensing Cases - Applicant has a Criminal Conviction - License Issued	2
Licensing Cases - Applicant has a Criminal Conviction - License Denied	0
Total	23

2023 Calendar

Georgia Instructor Training Workshop (GIT) October 16-17, 2023 Atlanta, GA <u>Click for More Info</u>.

> Link to GREC Disciplinary Actions View Current Suspensions and Revocations

To sign up to receive the GREC <u>RENewsletter</u> <u>Click Here</u>

Link to Proposed Rule Changes



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SUBMIT Comments & Suggestions

Online Courses from GREC

\$10 each 3 Hour CE Course Total of 9 Hours CE Available (Approved as License Law CE and approved as Instructor CE)

> "Avoiding Trust Account Trouble"

"Practicing Real Estate & Staying Out of Trouble"

"Being a Broker and Staying Out of Trouble" Click Here

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Avoid Misleading or Misdirecting ...

It is an Unfair Trade Practice to "intentionally advertising material which is misleading or inaccurate or which in any way misrepresents any property, terms, values, policies, or services of the business conducted." <u>43-40-25</u>

An example of misleading advertising is advertising listed property without including the Broker Firm name and phone number where the Licensee is affiliated. Including only the Licensee's cell phone or direct phone number on a sign, Internet post, or other media is not in compliance with the Georgia Real Estate License Law, Rules, and Regulations.

The purpose of the Georgia Real Estate Commission is to protect the public from harm that could occur from their dealings or relationships with real estate Brokers. If a caller does not realize what company he/she is contacting, it is misleading, at the least.

In addition, a Licensee is not permitted to advertise under the Licensee's individual name to buy any real estate or offer for sale, rent, or lease any real estate.

- All advertising by individual Licensee's must be under the direct supervision of their Broker and in the name of their Firm.
- The Licensee must notify their Broker and obtain the Broker's written approval of the advertisement.

The Firm name and phone number must be in all advertisements of property listings according to the Advertising Rules and Regulations. 520-1-09

Absolutely Must Know Section

Every Brokerage Firm must have a written **Office Brokerage Policy** and it should be signed by all the affiliates of the Firm.

That policy must stipulate procedures for handling trust funds and other management policies to ensure that the Firm is in compliance with the License Law, Rules, and Regulations. As outlined In BRRETA, it should state what types of agency the Firm practices. Although the operation of the real estate Firm is primarily focused on listings, brokerage engagements, and brokerage activity, the Broker must also consider the changes in how business in general is done and perhaps revamp the Office Brokerage Policy to include the use of new technology, such as communication systems, and the management of Licensees that work primarily out of the office.

Focus on Terminology: "Virtual Office"

The term "Virtual Office" was developed through the use of technology to conduct business from virtually anywhere. In fact, a virtual office could have all the features of a permanent office but does not actually have a specific location. Utilizing the flexible workspace concept works well in the real estate industry.

While technology allows real estate Licensees to work independently, the License Law, Rules and Regulations require that a Licensee be supervised by the Broker holding his/her License. A virtual office allows flexibility, and a Broker may encourage such a business model. However, that Broker must work diligently to maintain the level of communication needed to properly manage the Licensees affiliated with his/her Firm. For example, management responsibilities such as reviewing contracts can easily be done electronically. In fact, it assists the Broker in maintaining electronic records of documentation as well as an "electronic-paper" trail of the transaction.

The Firm's policies and procedures must be customized to meet the Firm's virtual office model.