

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](#)

[Link to Proposed Rule Changes](#)

Georgia Real Estate Commission
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Consulting Services Require a Real Estate License.

If an individual performs brokerage activities, for a fee, in Georgia and does not fall into the exceptions of 43-40-29, the person must be licensed by the Georgia Real Estate Commission.

Whether it is locating tenants for rental properties, performing property management services, or leasing office space, if a person performs real estate activities with the expectation of getting paid for the work, they must have an active real estate license. Calling an activity “consulting” services” does not change the fact that, by definition, it is real estate brokerage activity and requires a real estate license. Below is the definition of **Broker** from the Real Estate License Law:

A “Broker” is defined as any person who, for another, and who, for a fee, commission, or any other valuable consideration or with the intent or expectation of receiving the same from another: (does the following)

- Negotiates or assists in procuring prospects for the listing, sale, purchase, exchange, renting, lease, or option for any real estate or its improvements;
- Acts as a referral agent to secure prospects for any real estate;
- Collects rents or other trust funds;
- Is employed by or on behalf of the owner(s) of real estate at a salary, fee, commission, or any other valuable consideration to sell real estate;
- Charges a fee, other than an advertising fee, to promote the sale of real estate either through its listing in a publication or for referral to brokers, or both;
- Auctions real estate;
- Deals in options to buy/sell real estate;
- Performs property management or community association management services;
- Provides consulting services to any party to a real estate transaction to negotiate or procure prospects for the listing, sale, purchase, exchange, renting, lease, or option for any real estate or the improvements thereon.
- Advertises or promote him/herself as engaged in the above services. *continued on page 2...*

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August 2021 Commission Actions Taken

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| Cases Sent to the Attorney General for Review and Disposition by Consent Order or by Hearing | 1 |
| Cease & Desist Orders Issued | 0 |
| Citations Issued | 3 |
| Letter of Findings Issued | 1 |
| Consent Orders Entered Into | 0 |
| Final Orders of Revocation of Licensure | 1 |
| Cases Closed for Insufficient Evidence or No Apparent Violation | 8 |
| Licensing Cases - Applicant has a Criminal Conviction - License Issued | 9 |
| Licensing Cases - Applicant has a Criminal Conviction - License Denied | 0 |
| Total | 23 |

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

Consulting

... continued from page 1

By definition, an individual is not permitted to receive fees for consulting services or engage in any of the above activities unless they either have a real estate license or qualify for one of the exceptions of 43-40-29.

GREC has authority to sanction individuals who are not licensed and are violating the License Law. In addition, a Licensee who pays a consultant, subcontractor, individual, etc. who should be licensed and is not, also violates the License Law under [43-40-25\(b\)\(17\)](#).

A written complaint filed against someone that is not licensed, or an investigation initiated by the Commission, can lead to fines or sanctions by GREC. Unlicensed activity that violates the License Law is also a criminal misdemeanor offense. To review specific sections of the license law, visit the GREC website at <https://grec.state.ga.us/information-research/license-law/>.

Credit for Continuing Education (CE) Courses

It is the responsibility of the Licensee to obtain required CE during the 4-year renewal period. Waiting until the last minute to take a CE course could cause the Licensee to pay a late fee or renew the license to inactive status. All approved schools certify and post course completion information electronically via the GREC website. GREC does not process courses completed at Georgia schools. If a course is not on a license record, the Licensee should check with the approved school before contacting GREC.

If you just completed a course, most schools will not be able to post it until the next business day, at the earliest. In fact, some schools may only enter course completion credits a few times per month. It is the Licensee's responsibility to plan accordingly. Check with the school to determine their policy in posting courses before contacting GREC.



Absolutely Must Know Section

It is a violation of the License Law, Rules, and Regulations to pay a commission or compensation to any person for performing the services of a real estate Licensee if that person is not licensed. That means the Licensee paying someone not licensed is violating the License law. There are three exceptions that allow payment to unlicensed parties, detailed in [43-40-25\(b\)\(17\)](#). (A)(B)(C). These exceptions apply to the estate or heirs of a Licensee, a citizen of another county that does not require licensing, and payments of commissions to unlicensed firms of Licensees. Refer to [43-40-25\(b\)\(17\)](#). (A)(B)(C) regarding the specifics of these exceptions.



Focus on Terminology: "Commission, Fee"

The term commission is often construed to be a calculated percentage but is generally meant to include any form or type of compensation for the brokerage service. Since all commissions are negotiable, the commission could be paid as a percentage of the sales price, a portion of the lease rentals, a flat dollar amount, a promissory note, items of personal property, or upon any method the parties may agree. The commission is paid to the Broker who then pays his/her affiliate in the transaction according to the terms of their independent contract agreement. The payment of a commission or fee does not determine the agency relationship. The agency relationship is based upon the listing or buyer agency agreement, as well as the actions of the parties.

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
3. Practicing Real Estate & Staying Out of Trouble

Click Here to Enroll
\$10 Each

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