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

## The Timing of Earnest Money Deposits

When an offer is presented or a contract is signed, earnest money is usually involved. Sometimes the earnest money deposit may not be attached to the contract on the same day the contract is signed and is provided to the licensee a day or two later. The sales contract must specifically state when the earnest money is collected. If the contract is signed, and the earnest money is not collected at the same time, the date of the contract will be different than the date of receipt of the funds.

If funds are not received at the time of signing the contract, state the conditions that will result when the funds are, or are not, deposited as required. For example, if the earnest money is not going to be collected until 3 days after acceptance of the agreement by all parties, the contract must stipulate the details of that arrangement and also stipulate what will happen if the earnest money is not provided as required.

A salesperson should not hold an earnest money check until the offer is accepted. It must be given to the Broker holding his/her license as soon as practically possible. If the signed contract states that the check is postdated and is to be held in the file, it still must be given to his/her Broker.

The licensee preparing the offer must be sure the terms of the contract are clear. In addition, the Broker is responsible for reviewing all contracts and ensuring compliance with the License Laws, Rules, and Regulations. [520-1-.07](https://www.grec.state.ga.us/520-1-07)

### Job Opportunity at the Georgia Real Estate Commission

Opening for position as Information Specialist with GREC.

For more information, go to

<https://grec.state.ga.us/job-opportunity-at-grec/>

### September 2021 Meeting - Commission Actions Taken

Cases Sent to the Attorney General for Review and Disposition by Consent Order or by Hearing	1
Cease & Desist Orders Issued	1
Citations Issued	8
Letter of Findings Issued	3
Consent Orders Entered Into	0
Final Orders of Revocation of Licensure	1
Cases Closed for Insufficient Evidence or No Apparent Violation	21
Licensing Cases - Applicant has a Criminal Conviction - License Issued	8
Licensing Cases - Applicant has a Criminal Conviction - License Denied	1
<b>Total</b>	<b>44</b>

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

## 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

To sign up to receive the GREC RENewsletter  
Click Here

Submit a Comment or suggestion  
Click Here

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## Proposed Rule Change Regarding the Definition of Real Estate Teams

- ✚ On September 8, 2021, the Georgia Real Estate Commission posted a Notice of Intent to Adopt Proposed Amendments to the Georgia Real Estate Commission Rules. Chapter 520-1-.02 & Rule 520-1-.09.
- ✚ The purpose of this proposed amendment is to define the terms "Team" and "Team Leader" as they relate to real estate brokerage activity in Georgia.
- ✚ The complete Notice and documents can be reviewed from the Georgia Real Estate Commission web site or at this link [Proposed R Change – Georgia \(state.ga.us\)](https://www.grec.ga.gov/Proposed-R-Change-Georgia-state.ga.us).
- ✚ The proposed rule amendments will be considered for adoption by the Commission meeting on October 13, 2021.

## The Requirement of License Law Continuing Education by the Georgia Real Estate Commission is Not the same as an Ethics Course Required by an Association

Ethics training required by members of the National Association of Realtors® is **NOT** the same as the 3-hours of License Law that is mandated by the Georgia Real Estate Commission. Although some Ethics courses may provide Continuing Education credit, an Ethics course does not satisfy the requirement of completing 3 hours in specific topics on Georgia Real Estate License Law that all licensees must complete for each 4-year renewal period. Be sure to inquire what requirements any course may satisfy before enrolling and plan ahead.

## Absolutely Must Know Section

1. **A licensee must place all cash, checks, or other items of value** (trust monies) received by the licensee in a brokerage capacity **into the custody of the Broker** holding the licensee's license as soon after receipt as is practicably possible.
2. Unless otherwise agreed to in writing by the party or parties at interest, **the Broker holding such trust deposits must deposit those funds** in a federally insured account designated by the financial institution as a Trust Account and registered with the Commission.
3. **A Broker who disburses trust funds contrary to the terms of any contract** creating the escrow, will be considered by the Commission to have **demonstrated incompetence** to act as a real estate Broker.

[Rule 520-1-.08 Managing Trust Accounts and Trust Funds](#)



### Focus on Terminology: "Earnest Money"

The cash deposit of funds that the prospective buyer pays is evidence of good-faith intention to complete the transaction. The amount is negotiable, and earnest is not required. However, its primary purpose is to serve as a source of payment of damages should the buyer default. The Earnest money may be held by the listing broker, the buyer broker, a title company, a specified attorney, or other specified neutral party. However, it must be designated as trust funds and never be commingled with the broker's general operating funds.