



This Issue:

Case of Inactive Broker **P.1-2**

Focus on Terminology **P. 2**

Calendar

GREC Brokerage Course & Trust Accounts Class

Dates:

- May 19 & 20, 2010
[Empire Board of Realist](#)
- June 22 & 23, 2010
www.cowetarealtors.com

Common Violations Class

Dates:

- May 5, 2010 @
Georgia Institute Duluth
- May 11, 2010 @
Brunswick, GA
- May 12, 2010 @
Hinesville, GA
- May 13, 2010 @
Dublin, GA

Georgia Instructor Training

Workshop Dates:

- July 22-23, 2010
GIT – Macon
<http://www.grec-git.com/>

[Click here to
see GREC
Disciplinary
Sanctions](#)

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

The Case of the Inactive Broker

Location: Somewhere in Georgia

Facts of the Case:

The Qualifying Broker of a real estate Firm renewed his individual license to an Inactive status because he had not completed his continuing education. Under License Law, the Firm could continue to operate for 60 days without a Qualifying Broker while locating a new Qualifying Broker. In this case, after 60 days they did not find a new Qualifying Broker, so the Firm's license was placed on Inactive status by the Commission. As a result, the licenses of the 30 Salespersons in the Firm were placed on Inactive status. The Commission mailed each Salesperson a new pocket card in the mail indicating their now "Inactive" status. Some of the salespersons continued to conduct real estate brokerage activities even after receiving the new Inactive pocket card in the mail!

GREC Findings:

Those Salespersons who conducted real estate brokerage activities while their licenses were on Inactive status were issued a Citation that required them to pay a fine and complete an education course on License Law.

The parties involved made several minor mistakes that could have easily been rectified before they became serious. The basic problems resulted from failure to manage their licenses.

Lessons to Learn from this Case:

- The Firm and the Licensees affiliated with the Firm must be actively licensed to conduct brokerage activities.
- Renew your license in a timely manner. Keep current with the continuing education requirements so that you can renew to an Active status. If you are a Broker holding other licenses, you owe it to your licensees to be current and advise them of any possible lapse in licensure that will affect them. This applies to the firm license as well as your individual license. [520-1-07](#)
- The Broker should have promptly notified each one of the licensees of the situation giving them sufficient time to transfer to another broker.
- The licensees at the firm needed to find another Broker to continue practicing real estate.
- When a Salesperson receives a pocket card in the mail, he/she should note that it says "Inactive" and at least contact the Commission promptly to determine how he/she could continue to practice real estate.

continued on page 2...

The Case of the Inactive Broker...

...continued from page 1

Do not make the mistake of assuming “this doesn’t apply to me.” Go online and look up the license law that is applicable. Or contact GREC.

- Any licensee, or a public consumer, can go to the [GREC website](#) and check the status of his/her license and his/her broker’s license.
- Every licensee is required to notify the Commission within 1 month of any change in the licensee’s mailing address or residence address. [520-1-.05](#) Periodically go

online to the GREC website and verify that the address listed with GREC is actually your correct mailing address. If not, correct it online or

Don’t assume, “it doesn’t apply to me.” Contact GREC.

contact the Commission. You cannot receive communications from GREC if they do not have your correct address on record.

- Pay attention to ANY documentation the Georgia Real Estate Commission sends to you. If a pocket card comes in the mail, it

has been reissued for a reason. Review the information on the card and be sure it is correct. If it is not or you do not understand it, contact the Commission.

GREC provides resources online for researching license laws and has Information Specialists available to answer questions by phone. Obtaining a real estate license is an accomplishment and as such, it must be earned.

Along with the privilege of practicing real estate brokerage, the

license comes with the responsibility of managing and maintaining your license. Managing a license includes meeting continuing education

requirements, renewing your license in a timely manner and notifying the Commission of changes in addresses, name changes, or other necessary information.

[Take a moment to visit the GREC web site to verify your information.](#)

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Focus on Terminology: “Firm License vs. Individual Broker License”

Every company that intends to engage in real estate brokerage must have a Firm license issued by the Georgia Real Estate Commission. Without it no advertising can be done in the firm name and no commission checks can be paid to the firm.

Every real estate brokerage firm must have an actively licensed Broker. If either the company license or the Broker’s license is inactive, suspended or revoked, then those licensees under his/her license are no longer able to practice real estate. Those Salespersons, Associate Brokers or CAM held by that Broker must be transferred to another Broker in order to practice real estate brokerage.

In summary, every brokerage firm must have a Firm license issued by GREC and a Broker license issued by GREC, before it can hold any licenses, advertise real estate, or practice real estate brokerage in Georgia. (For all firms organized as a corporation, LLC, or partnership, the broker is referred to as a Qualifying Broker. For firms organized as a Sole Proprietorship, the broker is referred to as a holding a Broker’s license.) [Rule 520-1-.07.](#)