

2012 Calendar

GREC Brokerage Course & Trust Accounts Class

Dates:

- August 29 & 30, 2012
GAMLS
www.gamls.com
- September 26 & 27, 2012
Fayette Board
www.fayetterealors.com
- October 17 & 18, 2012
Northeast Georgia Board
www.negboard.com

Common Violations Class

Dates:

- September 20, 2012
GA Institute of RE
770-252-6768
www.learningrealestate.com
- December 14, 2012
GA Institute of RE
770-252-6768
www.learningrealestate.com

Georgia Instructor Training Workshop (GIT)

- September 13-14, 2012
Macon, GA

[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



This Issue:

- Timing of Receipt of Earnest Money P.1
- GREC Online Courses P.2
- Focus on Terminology P.2

The Timing of Receipt of Earnest Money Deposits is Critical.

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.

The Commission reviews more than one case each year where the date of receipt of earnest money and the date the contract was signed are different, but the contract does not reflect this difference. In one case, a contract was dated November 28 and the Salesperson signed his name to this sales contract stipulating that the Broker had collected \$1,000 earnest money on November 28th. However, the earnest money was not actually given to the Salesperson or the Broker until December 3. This is clearly a misstatement of facts. Not only did the salesperson sign his name on a document with false information, but the Qualifying Broker reviewed and approved it. After an investigation, the Qualifying Broker and the Salesperson each received a Citation requiring them to pay a fine and fees in addition to the completion of a 3-hour course approved by the Commission on legal issues and the avoidance of license law violations. [43-40-25\(b\)\(28\)](#)

The lesson is simple. When completing or reviewing a contract, if the stated facts are obviously not accurate, don't sign it until it is correct. 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. Being clear on the date funds are received (or are required to be received at a later date) is critical so that all parties understand their obligations under the terms of the contract, in addition to being required by the License Laws, Rules, and Regulations.

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](#)

If the facts are not accurate, don't sign it.

GREC Online Courses

Since August 2009, the Georgia Real Estate Commission has provided three Online courses free of charge to all Georgia real estate licensees. Each course provides 3 hours of CE credit upon successful completion. The following 3 courses continue to be available at www.jmre.com/grec and are also accessible from the GREC website www.grec.state.ga.us.

1. *Practicing Real Estate & Staying Out of Trouble*
2. *Being A Broker and Staying Out of Trouble*
3. *Avoiding Trust Account Trouble*

These online courses are funded through the Real Estate Education Research and Recovery Fund of the Georgia Real Estate Commission through a contract with JMRE Inc., an established provider of online real estate courses.

Since 2006 the number of new real estate licensees has declined significantly (77%), and this has resulted in a decline in funds available from the Real Estate Education Research and Recovery Fund.

With less money in the fund, it will be necessary to charge a nominal fee of \$10 for each course beginning September 1, 2012. Course purchases must be made with a credit card beginning next month. The web address, enrollment process and all other services will remain the same.

We are excited to announce that these courses are now compatible with several other browsers and mobile devices.



iPad™



Safari™

Google™
ChromeFirefox™
MozillaInternet™
Explorer

Most iPhone™ and Android™-powered Smart Phones are compatible as well.

*Logos, graphics, and references to products are trademarks of Apple, Google, Firefox, and Microsoft respectively.



Focus on Terminology: "Real Estate, Education, Research and Recovery Fund"

The **Real Estate Education, Research, and Recovery Fund** refers to money that is specifically identified and deposited and maintained by the State Treasury. When applying for a new real estate license in Georgia, \$20 of the licensing application fee is deposited in the Real Estate Education Research and Recovery Fund. The Commission must ensure that there is always a minimum balance of \$1 million in the fund at all times.

The purpose of the fund is as follows:

- Provide compensation (in accordance with a court order) to someone other than a licensee who is aggrieved by an act, representation, transaction, or conduct of a licensee which is in violation of the rules and regulations of the commission
- Allow the commission to use any and all funds from new licensee payments to the fund or from accrued interest earned on the fund to help underwrite the cost of developing courses, conducting seminars, conducting research projects on matters affecting real estate brokerage, for the benefit of licensees and the public

Courses such as the Common Violations Class, the Online Courses, the Trust Account Workshop, and the 1-Day Broker Workshop are made possible by the insightful and proper use of the Real Estate Education, Research, and Recovery Fund.

[Review O.C.G.A. 43-40-22 for more specific details on the fund](#)

Enroll Now

**Online CE
Courses from
GREC**

**"Being a Broker
& Staying Out of
Trouble"**

**"Practicing Real
Estate & Staying
Out of Trouble"**

**"Avoiding Trust
Account
Trouble"**

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GREC
RENewsletter
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