

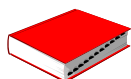
Dates to Note

- **March 2, 2009**
GREC Brokerage Course
[Cobb Board](#)
- **March 3, 2009**
GREC Trust Account Class
[Cobb Board](#)
- **April 7, 2009**
GREC Brokerage Course
[Habersham White Stephens Board](#)
- **April 8, 2009**
GREC Trust Account Class
[Habersham White Stephens Board](#)

[GREC Disciplinary Sanctions](#)

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Focus on Terminology:

“Real Estate”

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Licensing: Working for a Principal or Acting as a Consultant

- ***If a company or individual (principal) hires someone to do his/her real estate transactions but the individual is not an employee, then he/she must be licensed by the Georgia Real Estate Commission in order to be compensated.***
- ***However, if an individual is actually an employee of a principal buyer or owner of real estate, the individual does not have to be licensed by the Georgia Real Estate Commission.***

Whether it is locating sites for cell phone towers, residential rental properties, property management, or procuring prospective tenants for an office building, if the person performs real estate services in anticipation of getting paid based on that work, he/she must have an active real estate license. Merely calling it “consulting” work does not change the fact that by definition it is real estate brokerage services and requires a license.

Review the definition of a **broker** in the Real Estate License Law:

“Broker” means 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.

Thus, by definition, this does not permit an individual to receive consulting fees as a source of income for doing any of the above activities unless he/she has a real estate license.

GREC has authority to sanction those individuals who are not licensed.....

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Working for a Principal...

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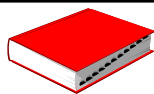
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Independent contractors (sub contractors for a principal) doing real estate for a company or individual must have a license. For example, if a corporate real estate executive is laid off from a job and chooses to do consulting work in the real estate industry and receive compensation for it, he/she must obtain a real estate license to do so within the law.

A written complaint against someone that is not licensed or an investigation initiated by the Commission can lead to fines or sanctions not only by GREC but other state agencies as well.

In addition, a licensee who pays a consultant, subcontractor, individual, etc. that is not licensed is violating the License Law him/herself under 43-40-25.

To review specific sections of the license law, visit the GREC website at www.grec.state.ga.us and click [License Law](#) license law on the left drop down column.



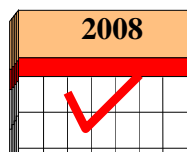
Focus on Terminology: "Real Estate"

The License Law defines real estate in § 43-40-1. Definitions (9)

"Real estate" means condominiums and leaseholds, as well as any other interest or estate in land, whether corporeal, incorporeal, freehold or nonfreehold and whether the real estate is situated in this state or elsewhere; and shall also include a mobile home when such mobile home is affixed to land... "

Therefore real estate services include the sale, purchase, option, lease, or temporary or permanent transfer of any real estate as defined above.

The Year in Review: Recent Changes to the License Law, Rules and Regulations



Although no significant changes were not made to the GREC License Laws, Rules and Regulations in 2008, changes were implemented in 2007. Visit the [January 2008 GREC RENEWS](#) to review the 2007 changes to the law.

The Georgia Real Estate Appraisers Board (GREAB) modified the rules to require safeguards when sending appraisal reports electronically or otherwise. [Click here to view the Appraisal Act.](#)

The Georgia Real Estate Appraisers Board also proposed changes in the following Rules for Appraiser Instructors

Rule 539-5-.03 Renewal of Approval.

Rule 539-5-.01 Types of Instructors

The proposed changes only clarify the procedure that Appraiser Instructors use to renew their approvals. These changes are effective March 31, 2009.