



2017 Calendar

Common Violations Class Dates:

- November 1, 2017
Albany BOR
Albany, GA
229-883-6664
- November 9, 2017
Augusta BOR
Augusta, GA
706-736-0429

Instructor Training

- December 7, 2017
GREEA Instructor Workshop
Lake Lanier Islands
Buford, GA

GREC Annual School Meeting

- December 8, 2017
Lake Lanier Islands
Buford, GA

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Update on GREC Activities

The Georgia Real Estate Commission (GREC) continually improves communication systems and data management technology to manage and support an increasing number of licensees. GREC regulates all Georgia real estate licensees and all Georgia appraisers for the Georgia Real Estate Appraisers Board. GREC currently issues an average of 740 new real estate licenses per month! As displayed in the table below, increases in all types of licenses have led to just under 75,000 active real estate licensees.

As market activity increases, more individuals either re-activate their license or obtain a new license. The increase in new licensees adds funds to the Real Estate Education, Research and Recovery Fund. More licensees that are active result in more transactions and more Requests for

1-Oct-17	Active	Inactive	All
Brokers	17,412	2,594	20,006
Salespersons	46,133	11,495	57,628
CAMs	407	143	550
Firms	10,870	414	11,284
	74,822	14,646	89,468
	84%	16%	

Investigations submitted to the Commission. There are approximately 500 real estate investigations pending as of October 1, 2017. The number of investigations involving appraisers has declined over the last year and there are currently 50 pending investigations.

GREC spends a significant amount of time investigating new applicants for licensure. Those applying as an original applicant for a real estate or appraiser license must disclose all convictions of any nature and must be careful not to omit information, misrepresent, or falsify any information in the application process.

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[Link to GREC Disciplinary Actions](#)

[View Current Suspensions and Revocations](#)

[Link to the Georgia Real Estate License Laws, Rules, and Regulations](#)

Georgia Real Estate Infobase

[Click Here](#)

September 2017 Meeting - Commission Actions Taken

Cases Sent to the Attorney General for Review and Disposition by Consent Order or by Hearing	None
Cease & Desist Orders Issued	None
Citations Issued	9
Letter of Findings Issued	None
Consent Orders Entered Into	None
Final Orders of Revocation of Licensure	2
Cases Closed for Insufficient Evidence or No Apparent Violation	31
Licensing Cases - Applicant has a Criminal Conviction - License Issued	7
Licensing Cases - Applicant has a Criminal Conviction - License Denied	0
Total	49

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

SUBMIT**Comments
&
Suggestions**

To sign up to receive
the GREC
RENewsletter
[Click Here](#)

**Online
Courses
from GREC**

**\$10 each
3 Hour CE
Course
Total of 9
Hours CE
Available**

(Also Approved
as Instructor CE,
not approved as
License Law CE)

**“Avoiding
Trust
Account
Trouble”**

**“Practicing
Real Estate &
Staying Out
of Trouble”**

**“Being a
Broker and
Staying Out
of Trouble”**

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

Update on GREC Activities

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GREC is currently converting firm records, school records, and individual license records to interact with a more efficient computer and data management system. In addition, the Commission is scheduled to upgrade the telephone system before the end of the year. Plans for the new phone system will make it much quicker to reach an Information Specialist at GREC.

Recent Related Legislation

43-40-15. Grant of licenses; grounds for suspension or revocation of license; other sanctions; surrender or lapse; conviction. This section of the license law was amended in 2017. Under the prior law when a licensee failed to request a hearing within 60 days of being convicted of a felony or crime of moral turpitude, the license was automatically revoked. The current law provides GREC with other disciplinary actions in lieu of an automatic revocation. It applies to appraisers [See 43-39A-14(i)] as well as real state licensees. [43-40-15(i).]

The Georgia Professional Regulation Reform Act became effective July 1, 2016 and is designed to provide for executive oversight of licensing boards; to establish state policy for the regulation of certain professions and businesses; to provide for legislative intent; to provide for definitions; to provide for related matters; to repeal conflicting laws; and for other purposes. <http://www.legis.ga.gov/legislation/en-US/Display/20152016/HB/952Status History>



Focus on Terminology: “Falsify”

When reviewing the definition of falsify in different dictionaries, it is clear that it can be a broad interpretation. The following are definitions from Webster's Your Dictionary and Merriam-Webster's: <https://www.merriam-webster.com/http://definitions.yourdictionary.com/>

- *to make untrue declarations*
- *to misrepresent or misrepresent the facts*
- *to give an inaccurate view of representing falsely or misleadingly*
- *make false by mutilation or addition*
- *to represent falsely*
- *to give a false or misleading representation of usually with an intent to deceive or be unfair*

Falsification can include omitting information. For example, a licensee must notify the Commission of any conviction, not only when renewing or applying for a license, but whenever there has been a conviction or qualifying event as described in the [Rule 520-1-.05. Maintaining a License](#)

Notification of Legal Action and Change of Address.

- (a) Every licensee shall notify the Commission in writing of the final disposition of any administrative, civil, or criminal action filed in any court of competent jurisdiction or any administrative agency whenever that final disposition involves the subject matter of the offenses cited in O.C.G.A. Sections [16-13-111](#), [43-40-15](#), or [43-40-25](#). Such notice of any administrative or civil action shall be given to the Commission within ten (10) days of the conclusion of the court or administrative proceedings and shall include a copy of any final order entered by the court or agency. Such notice of any criminal action shall be given to the Commission within ten days of any conviction and shall include a copy of the indictment, accusation, and the conviction. [Rule 520-1-.05. Maintaining a License](#)



The Appraisers Page

Useful Links:

[GREAB Web Site](#)

[Appraisal Act](#)

[GREAB Disciplinary Sanctions](#)

What is My Property Worth?

By: D. Scott Murphy, SRA

What is my property worth is a very dangerous question for real estate professionals. Answer incorrectly and you can be in a lot of trouble. The problem is that many real estate agents and appraisers are not fully aware of the professional boundaries.

Do a Google search for “what is my property worth” and over 300 million results come up. Most are real estate agents or agencies advertising to attract potential buyers and sellers. No surprise Zillow tops the list offering their “Zestimate”. Even lenders like Bank of America and Chase have come out with a “home value estimator”, trying to attract borrowers.

The draw to find out the worth of your home is strong. Both buyers and sellers are constantly looking for online websites, which can provide instantaneous valuation of a property. It would seem that with all the technology there would be a website which can accurately answer this question. Unfortunately, there are no sites, which can

consistently return values with a high degree of accuracy. There are many reasons a virtual valuation cannot offer creditable results. Most all valuation models use public record data. This information can often be very inaccurate. For instance, in the Atlanta market, tax record data is poor. The square footage reported is *gross building area* (GBA), which can include garage space, porches, basements and other enclosed space. It is not *gross living area* (GLA), which only includes above grade space finished to a high quality (see ANSI measuring standards for detailed definition of GLA). Another problem with public record data is that a home with a permitted addition will have a different GBA than a home with a non-permitted addition. Beyond the problems with physical data, automated valuation models have no way of knowing the condition or quality of the subject property. Nor can an AVM truly appreciate a location or view amenity of the property. For these reasons my feelings about any automated valuation model is that *“they are not high, they are not low, they are always wrong!”*

Therefore buyers and sellers looking for a more accurate opinion of value turn to a real estate agent or a real estate appraiser. Our experience in the market, intimate knowledge of local sales, and use of valuation tools afford us the ability to accurately estimate the value of the subject property. While agents and appraisers can offer their opinion of value without inspecting the interior, the full physical inspection is the key variant which insures the accuracy when compared to and AVM.

Real estate agents must take care to make sure they do not overstep their legal bounds when offering an opinion of value. In fact, under Georgia law a real estate agent cannot offer an opinion of value for doing so would be to act as an appraiser without a license. An agent may offer a suggested list price for a seller or a suggested offer price for a buyer.

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Appraisers must be careful as well. While licensed to render an opinion of value, it must be supported. If you were to ask an appraiser “*what is my property worth?*” and if he responds “\$250,000”, he has just completed a verbal appraisal bound by USPAP (Uniform Standards of Professional Appraisal Practice) and the rules of the Georgia Real Estate Appraisal Act (O.C.G.A. TITLE 43 Chapter 39A). There is a laundry list of requirements the appraiser must have followed in order to offer that opinion of value. Something most don’t know and appraisers often forget is that there is a set of appraisal standards as well as a set of reporting standards. These must be followed on every appraisal assignment to insure a reliable result and to uphold the public trust. The client cannot solely determine the scope of the appraisal. The fee cannot dictate the scope of work.

It is very important that agents and appraisers understand their professional boundaries particularly when discussion valuation with our clients. Agents cannot operate as an appraiser and offer a value and appraisers cannot operate like an agent and offer a value without following USPAP.

I welcome your comments and feedback. If you have an idea for a topic you'd like covered, suggest it to me!

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