

CHAPTER 520-1 LICENSURE AND BROKERAGE

RULES
OF
GEORGIA REAL ESTATE COMMISSION

CHAPTER 520-1
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(6) Disclosure of Commissions, Fees, Rebates, or Other Valuable Consideration.

(a) The disclosures required by O.C.G.A. §43-40-25 (b)(6) from a licensee to a principal may be made in advance of the payment or receipt of a commission, fee, rebate or thing of value to a licensee based upon pre-established terms set forth in a brokerage agreement, a brokerage engagement agreement, management agreement or other written agreement.

(b) In a transaction where a licensee refers a principal to another broker for brokerage or relocation services (and the broker to whom the principal is referred knows of the referral and the referring licensee's expectation of receiving a commission, fee or other thing of value for the referral), the payment of a commission, fee or other thing of value to the referring licensee by the broker working with the principal shall be disclosed in writing to the principal by the broker to whom the referral was made no later than at the closing of the purchase, sale, exchange, or lease, of any property in a transaction where a commission, fee or other thing of value will be paid by the broker to the referring licensee.

(c) The disclosures required in O.C.G.A. §43-40-25 (b)(6)(c) shall be in addition to any requirements of federal law pertaining to the payment or receipt of anything of value for the referral of any service or product in a real estate transaction.

(d) For the purposes of O.C.G.A. §43-40-25 (b)(6), the term "licensee's principal" shall, in the specific real estate transaction for which disclosure is required, mean both the client of the broker and a customer of the broker if the customer is working primarily with the broker and is not being represented by another broker in the transaction.

(e) A licensee may rebate to a principal any part of a commission, fee, or other compensation received by the licensee related to the purchase, sale, lease or exchange of real estate as long as said rebate is disclosed on the closing statement for that transaction and as long as the rebate does not mislead any other licensee, other principal, lender, title company or government agency involved in the transaction regarding the source of funds to complete the transaction or regarding the financial resources or obligations of a buyer principal.

Notwithstanding anything to the contrary above, no disclosure is required for gifts, products, services, or other things of value given to a principal by a licensee provided that they are not contingent upon the purchase, sale, lease or exchange of real estate for that transaction.

Authority: O.C.G.A. Secs. 43-40-2, 43-40-8, & 43-40-25.