

GEORGIA REAL ESTATE LICENSE LAW PRACTICE EXAM (SAMPLE)

STUDY GUIDE



Prepare with structure. Pass with confidence



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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. How often should licensees review their education requirements to make sure they remain compliant?**
 - A. Every year
 - B. Every two years
 - C. Every five years
 - D. Periodically, as needed
- 2. Real estate licensing law exists primarily to protect which group?**
 - A. GREC
 - B. The Public
 - C. Licensees
 - D. Real Estate Brokers
- 3. Under the same qualifications and requirements, who can Eli, an unlicensed resident of South Carolina, obtain a real estate license in Georgia like?**
 - A. Broker of his state
 - B. Georgia broker
 - C. Unlicensed Georgia resident
 - D. Former Georgia broker
- 4. What is the protocol for maintaining trust funds according to Georgia law?**
 - A. Trust funds can be used for any expenses
 - B. They must be kept separate from brokerage funds
 - C. All funds must be spent at the end of the year
 - D. Trust accounts can be used for personal transactions
- 5. What detail must be included in a management agreement between a broker and a community association?**
 - A. The property management fee amount only.
 - B. The broker's strategy for marketing.
 - C. All terms of the broker's compensation.
 - D. Provisions about tenant services.

- 6. What must a broker provide to clients in Georgia?**
- A. A detailed marketing plan for their property
 - B. Confidential sales data
 - C. An explanation of brokerage services and fees
 - D. A list of other brokers in the area
- 7. What actions did Henrietta take that are required for license renewal?**
- A. She completed all CE requirements and paid the renewal fee.
 - B. She completed her CE but did not pay the fee.
 - C. She paid the fee but did not complete her CE requirements.
 - D. She did nothing and let her license lapse.
- 8. How does Georgia license law define real estate?**
- A. The structure that sits atop a parcel of land
 - B. The earth to its center and upward to infinity
 - C. The land and all those items that are attached to it
 - D. Only the land involved in a sale
- 9. Who appoints the members of the Georgia Real Estate Commission?**
- A. The public, by election
 - B. GREC
 - C. The Georgia governor
 - D. Georgia Senate
- 10. What happens if a hearing has begun in Georgia concerning a licensee?**
- A. It can be paused at the request of the parties involved
 - B. It must be completed to its conclusion
 - C. It can be rescheduled indefinitely
 - D. The licensee can withdraw from the hearing

Answers

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1. A
2. B
3. C
4. B
5. C
6. C
7. A
8. C
9. C
10. B

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Explanations

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1. How often should licensees review their education requirements to make sure they remain compliant?

- A. Every year**
- B. Every two years
- C. Every five years
- D. Periodically, as needed

The requirement for licensees to review their education requirements annually aligns with the ongoing necessity to maintain compliance with state regulations governing real estate practices. In Georgia, real estate licensees must complete a specific number of continuing education hours within each renewal cycle, which occurs every four years. However, reviewing these requirements yearly ensures that licensees stay informed about any changes in the law, newly enacted educational mandates, or updated regulations that could impact their ability to keep their license active. By conducting this annual review, licensees can proactively address any gaps in their education, seek out relevant courses, and obtain the necessary credits, which contributes to their professional development and adherence to legal standards. This diligence ultimately protects their license status and enhances their overall expertise in the field, preparing them for the demands of their profession.

2. Real estate licensing law exists primarily to protect which group?

- A. GREC
- B. The Public**
- C. Licensees
- D. Real Estate Brokers

The primary purpose of real estate licensing law is to protect the public. These laws are designed to ensure that real estate professionals meet certain standards of competence and conduct to safeguard consumers in their transactions. Licensing requirements help ensure that agents and brokers possess the necessary knowledge, skills, and ethical standards to serve the public's interests effectively. By regulating the industry and setting forth guidelines for practicing real estate, the law aims to prevent fraudulent and unethical behavior that could harm consumers during property transactions. This protection extends to ensuring that individuals have a mechanism to report misconduct and seek recourse if they encounter issues with real estate professionals. While the other options may involve important roles in the real estate industry, they do not represent the primary focus of licensing law. The Georgia Real Estate Commission (GREC), licensees, and brokers are all essential components of the system, but the overarching goal remains the protection of the public. This foundational principle emphasizes the need for transparency, accountability, and fairness in real estate practices.

3. Under the same qualifications and requirements, who can Eli, an unlicensed resident of South Carolina, obtain a real estate license in Georgia like?

- A. Broker of his state
- B. Georgia broker
- C. Unlicensed Georgia resident**
- D. Former Georgia broker

To obtain a real estate license in Georgia, Eli, an unlicensed resident of South Carolina, would need to meet the requirements outlined by Georgia's real estate licensing laws. However, the stipulation in the question focuses on who he can obtain a license like, based on similar qualifications and requirements. An unlicensed Georgia resident is the most appropriate comparison for Eli because they are subject to the same initial qualifications and licensing procedures mandated by Georgia's real estate law. This includes meeting the necessary educational requirements, passing the licensing exam, and fulfilling any additional criteria such as background checks or residence confirmation. In contrast, a broker from his state would have a different set of qualifications under South Carolina laws and may not directly translate to Georgia's requirements. A Georgia broker, while potentially similar, is not a resident of South Carolina and may have different licensing needs. Moreover, a former Georgia broker would have had a license previously but may not currently meet the active requirements necessary for renewal or re-licensing. Thus, choosing an unlicensed Georgia resident as the comparative figure emphasizes the foundational similarities in terms of the process of obtaining a license in Georgia.

4. What is the protocol for maintaining trust funds according to Georgia law?

- A. Trust funds can be used for any expenses
- B. They must be kept separate from brokerage funds**
- C. All funds must be spent at the end of the year
- D. Trust accounts can be used for personal transactions

The correct option highlights a crucial aspect of managing trust funds within the realm of real estate in Georgia. According to Georgia law, trust funds must be kept separate from brokerage funds to ensure that the funds are properly safeguarded and accounted for. This separation is critical in maintaining transparency and integrity in real estate transactions, as it helps prevent commingling of clients' money with the brokerage's operating funds. By keeping trust funds in a separate account, brokers can protect clients' money and ensure that it is used solely for the intended purposes, such as deposit refunds, service fees, or other designated transactions, without the risk of mismanagement. This protocol not only complies with legal requirements but also fosters trust between real estate professionals and their clients.

5. What detail must be included in a management agreement between a broker and a community association?

- A. The property management fee amount only.
- B. The broker's strategy for marketing.
- C. All terms of the broker's compensation.**
- D. Provisions about tenant services.

A management agreement between a broker and a community association is a comprehensive document that outlines the responsibilities, expectations, and compensations associated with property management. Including all terms of the broker's compensation in the management agreement is crucial for several reasons. Firstly, clarity regarding compensation prevents misunderstandings between the broker and the community association. It ensures that both parties have a mutual understanding of what services will be performed and how the broker will be compensated for those services. This transparency can help establish trust and foster a productive working relationship. Secondly, having all terms of compensation detailed in the management agreement protects both parties legally. Should any disputes arise regarding payment, the written agreement serves as a reference point to resolve such issues. Finally, detailing compensation terms allows community associations to budget appropriately and ensures that brokers are adequately compensated for their efforts in managing the community. This includes specifying how fees are calculated, payment schedules, and any additional costs that may arise. In contrast, only stating the property management fee amount does not encompass the full scope of compensation and can lead to ambiguity. Simply discussing marketing strategies or tenant services does not address the critical financial aspects that the management agreement should cover. Therefore, including all compensation terms is essential for a well-structured and effective management agreement.

6. What must a broker provide to clients in Georgia?

- A. A detailed marketing plan for their property
- B. Confidential sales data
- C. An explanation of brokerage services and fees**
- D. A list of other brokers in the area

In Georgia, a broker is required to provide clients with a clear explanation of the brokerage services and fees associated with those services. This requirement ensures that clients understand what to expect in terms of the services they will receive, including the role of the broker in the transaction, the nature of the relationship (whether it be buyer's agent, seller's agent, etc.), and the associated costs. By disclosing this information, brokers foster transparency, which is crucial for building trust and maintaining ethical standards in real estate transactions. Providing this information also allows clients to make informed decisions about whether to engage the broker's services and helps manage their expectations throughout the process. This practice aligns with the overall goal of the Real Estate Commission to protect consumers and uphold the integrity of the real estate profession in Georgia.

7. What actions did Henrietta take that are required for license renewal?

- A. She completed all CE requirements and paid the renewal fee.
- B. She completed her CE but did not pay the fee.
- C. She paid the fee but did not complete her CE requirements.
- D. She did nothing and let her license lapse.

To successfully renew a real estate license in Georgia, a licensee must complete continuing education (CE) requirements and pay the associated renewal fee. By completing all CE requirements, Henrietta demonstrates that she has engaged in ongoing professional development, which is essential for maintaining her competency in the field. Additionally, timely payment of the renewal fee is crucial to prevent any lapse in her license status. This adherence to both requirements ensures that she remains in good standing with the Georgia Real Estate Commission and retains the ability to practice real estate legally. The combination of meeting the educational requirements and fulfilling the financial obligations reflects a comprehensive approach to licensing renewal.

8. How does Georgia license law define real estate?

- A. The structure that sits atop a parcel of land
- B. The earth to its center and upward to infinity
- C. The land and all those items that are attached to it
- D. Only the land involved in a sale

Georgia license law defines real estate as the land and all those items that are attached to it. This definition encompasses not only the physical land itself but also any improvements made to it, such as buildings, fixtures, and other structures that are permanently affixed. This understanding is essential for real estate professionals as it clarifies what is included in real estate transactions, ensuring that buyers and sellers accurately comprehend what is being transferred in a sale. By considering the broader definition of real estate that includes both land and permanent attachments, real estate agents and brokers can better serve their clients in transactions and negotiations. This is particularly important in distinguishing personal property from real property, as personal property can be removed and does not naturally come with the transfer of real estate unless specified. Other options may misinterpret the scope of real estate or limit it to specific elements, leading to potential misunderstandings during transactions. For example, defining real estate solely as a structure overlooks the essential role land plays and could create gaps in legal understanding.

9. Who appoints the members of the Georgia Real Estate Commission?

- A. The public, by election
- B. GREC
- C. The Georgia governor
- D. Georgia Senate

The members of the Georgia Real Estate Commission (GREC) are appointed by the Georgia governor. This process is significant because it ensures that the commission is composed of individuals who are selected based on their qualifications and understanding of the state's real estate laws and regulations. The governor's role in this appointment process adds a level of oversight and accountability, as these appointees are expected to uphold the standards of the real estate profession and act in the best interest of the public. The appointment process reflects a broader principle in regulatory frameworks where the executive branch of the state government is entrusted with the responsibility of appointing individuals to key regulatory bodies. These appointees operate in a manner that is consistent with the policies and governance goals set forth by the state while also ensuring compliance with established laws.

10. What happens if a hearing has begun in Georgia concerning a licensee?

- A. It can be paused at the request of the parties involved
- B. It must be completed to its conclusion**
- C. It can be rescheduled indefinitely
- D. The licensee can withdraw from the hearing

When a hearing concerning a licensee has begun in Georgia, it is essential that the process is completed to its conclusion. This ensures that all evidence is presented and all parties can be heard in their entirety, allowing for a fair and thorough examination of the issues at hand. The integrity of the hearing process relies on this completion to maintain due process and uphold standards set forth by the Georgia Real Estate Commission. Pausing or rescheduling a hearing indefinitely would disrupt the legal proceedings, potentially causing unnecessary delays and complications. Likewise, allowing a licensee to withdraw from a hearing after it has commenced could undermine the entire process, impacting the ability to assess the case fairly and fully. Therefore, it is crucial that the hearing proceeds to its conclusion once it has started.

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Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://gerogiarealestatelaw.examzify.com>

We wish you the very best on your exam journey. You've got this!

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