

# Georgia Real Estate License Laws and Rules Practice Exam (Sample)

## Study Guide



**Everything you need from our exam experts!**

**This is a sample study guide. To access the full version with hundreds of questions,**

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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. Don't worry about getting everything right, 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, and take breaks to retain information better.**

## 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.**

## 7. Use Other Tools

**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!**

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## **Questions**

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- 1. What is the primary purpose of requiring Georgia real estate licensees to complete continuing education courses?**
  - A. To increase their commission rates**
  - B. To ensure they remain informed about changes in laws**
  - C. To maintain active status without re-testing**
  - D. To assist in marketing real estate properties**
- 2. What is the classification of a violation of any provision of the License Law?**
  - A. Misdemeanor.**
  - B. Felony.**
  - C. Injunctive action.**
  - D. Criminal action.**
- 3. Which of the following is true regarding the commission structure of a broker?**
  - A. Brokers are paid a commission only after a sale is completed**
  - B. Brokers can negotiate their fee with clients at any time**
  - C. Brokers must provide a detailed breakdown of all commissions**
  - D. Salespersons receive their commissions directly from the client**
- 4. If a licensee receives earnest money after office hours, when should it be deposited?**
  - A. By the end of the week**
  - B. By the end of the business day**
  - C. As soon as possible**
  - D. Within 48 hours**
- 5. Can a real estate broker advertise properties if they have only verbal permission from the property owner?**
  - A. Yes, only the consent of the owner is required**
  - B. Yes, provided the builder's trade name is included in the advertisement**
  - C. No, the broker must have written permission of the owner and said permission has a definite date of expiration**
  - D. No, new home sales can only be advertised by the builder**

**6. The payment of the intangibles taxes is:**

- A. Negotiable between the buyer and seller**
- B. Paid by the seller only**
- C. Paid by the buyer only**
- D. Based on the sales price**

**7. Which of the following is a requirement to obtain a real estate license in Georgia?**

- A. Be a resident of Georgia for at least 5 years**
- B. Complete a specified number of hours of pre-license education**
- C. Pass a background check**
- D. All of the above**

**8. When advertising their own property for sale, what must a licensee include?**

- A. Notify the Georgia Real Estate Commission**
- B. Include the legend "seller holds a real estate license"**
- C. Advertise in the name of the broker**
- D. Have the broker's written consent**

**9. A salesperson attempts to persuade a couple to break their existing contract to purchase another home. What have they committed?**

- A. Properly represented her principal**
- B. Committed an unfair practice**
- C. Acted properly with broker notification**
- D. Acted appropriately as they did not initiate conversation**

**10. What is required of a salesperson when they receive an offer along with an earnest money deposit?**

- A. Turn over the earnest money to the listing broker within three days.**
- B. Place the earnest money in a federally insured account.**
- C. Turn over the earnest money to the broker holding the salesperson's license as soon after receipt as practically possible.**
- D. Put the earnest money in the custody of the seller.**

## **Answers**

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

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## **Explanations**

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- 1. What is the primary purpose of requiring Georgia real estate licensees to complete continuing education courses?**
  - A. To increase their commission rates**
  - B. To ensure they remain informed about changes in laws**
  - C. To maintain active status without re-testing**
  - D. To assist in marketing real estate properties**

The primary purpose of requiring Georgia real estate licensees to complete continuing education courses is to ensure they remain informed about changes in laws. In the real estate industry, regulations and legal requirements can frequently change, including updates to property laws, disclosure requirements, and fair housing regulations. Continuing education helps licensees stay current on these developments, which is crucial for providing competent service to clients and ensuring compliance with legal standards. By being aware of the latest laws and practices, real estate professionals can provide accurate information, offer proper guidance, and avoid potential legal issues. This ongoing education is vital not only for the licensees' professional growth but also for protecting consumers and enhancing the integrity of the real estate industry as a whole.

- 2. What is the classification of a violation of any provision of the License Law?**

- A. Misdemeanor.**
- B. Felony.**
- C. Injunctive action.**
- D. Criminal action.**

The correct classification of a violation of any provision of the Georgia License Law is a misdemeanor. In Georgia, violations of real estate license laws typically result in misdemeanor charges, which are less severe than felonies. This classification is significant because it not only dictates the potential penalties involved but also the nature of the enforcement and remedies available under Georgia law. A misdemeanor charge can lead to fines, community service, or a short period of imprisonment, but it does not carry the same level of severity or long-lasting consequences that a felony would entail. Misdemeanor classifications are often designed to address regulatory infractions, encouraging compliance rather than imposing harsh punitive measures. Other options, such as felony or criminal action, suggest more serious legal repercussions that are not applicable in the context of simply violating the License Law. Injunctive action refers to a court-ordered act or prohibition against a party, which is a remedy rather than a classification of the violation itself. Understanding this classification helps reinforce the legal framework in which real estate professionals must operate in Georgia.

**3. Which of the following is true regarding the commission structure of a broker?**

- A. Brokers are paid a commission only after a sale is completed**
- B. Brokers can negotiate their fee with clients at any time**
- C. Brokers must provide a detailed breakdown of all commissions**
- D. Salespersons receive their commissions directly from the client**

The assertion that brokers are paid a commission only after a sale is completed is accurate and reflects a fundamental principle in real estate transactions. In Georgia and most other states, a broker earns a commission when a property sale successfully closes. This commission is typically calculated as a percentage of the sale price and serves as the broker's compensation for the services they provided, including marketing the property, negotiating offers, and facilitating the closing process. The real estate commission structure is designed to align the broker's incentives with the outcome of a sale, encouraging brokers to work diligently to finalize transactions. Until the sale is concluded, there is no commission paid, which safeguards both the broker and the client during the negotiation and selling process. While it is also true that brokers can negotiate their fees and should ideally communicate fee structures to clients, the nature of when a commission is earned is a critical aspect of how brokers operate. This makes the understanding that a commission is only due upon the completion of a sale a foundational knowledge point in real estate practices.

**4. If a licensee receives earnest money after office hours, when should it be deposited?**

- A. By the end of the week**
- B. By the end of the business day**
- C. As soon as possible**
- D. Within 48 hours**

The correct answer emphasizes the importance of promptness in handling earnest money to protect the interests of all parties involved in a real estate transaction. When a licensee receives earnest money, they have a responsibility to ensure it is deposited in a timely manner to maintain trust and comply with licensing regulations. The phrase "as soon as possible" signifies a proactive approach to managing earnest money, reflecting the need to avoid any delays that could jeopardize the transaction or the parties' interests. Timely deposit of earnest money also helps to secure the buyer's position in the transaction and demonstrates the licensee's professionalism and adherence to ethical standards. This approach is reinforced by Georgia real estate laws, which generally require that earnest money be handled swiftly to prevent any potential disputes or issues. In contrast, options that suggest longer timeframes, such as the end of the week or within 48 hours, do not align with the best practice of ensuring earnest money is deposited promptly. Similarly, "by the end of the business day" may not convey the urgency required in certain situations. Overall, the emphasis on expedient action in the correct answer aligns with professional standards within the real estate industry.

**5. Can a real estate broker advertise properties if they have only verbal permission from the property owner?**

- A. Yes, only the consent of the owner is required**
- B. Yes, provided the builder's trade name is included in the advertisement**
- C. No, the broker must have written permission of the owner and said permission has a definite date of expiration**
- D. No, new home sales can only be advertised by the builder**

A real estate broker must obtain written permission from the property owner to advertise their property. This requirement is in place to protect the rights of the property owner and ensure that they have formally authorized the broker to act on their behalf in marketing the property. Written consent not only solidifies the agreement between the owner and the broker but also typically includes details such as the duration of the permission, the scope of the advertising, and any other terms that may be relevant to the listing. Having only verbal permission is insufficient because it lacks the legal enforceability and clarity that written documentation provides. Written consent helps prevent disputes that may arise if there is any confusion about whether or not the broker has the authority to advertise. Additionally, if the advertising includes information that the owner does not agree with, having a written agreement makes it easier to resolve such issues. In the context of this question, the other options do not align with legal requirements regarding property advertising and the necessity for adequate owner consent.

**6. The payment of the intangibles taxes is:**

- A. Negotiable between the buyer and seller**
- B. Paid by the seller only**
- C. Paid by the buyer only**
- D. Based on the sales price**

The payment of intangibles taxes being negotiable between the buyer and seller reflects the flexibility inherent in real estate transactions. In Georgia, the responsibility for intangibles taxes—generally associated with the transfer of real property and its financing—can indeed be agreed upon in the sales contract. This means that the buyer and seller can come to a mutual agreement whether the seller will pay this tax, the buyer will pay it, or they will split the cost. Such negotiation is common in real estate deals, allowing the parties involved to customize their agreement based on factors such as the total sales price, local market conditions, and other terms of the contract. This flexibility promotes a collaborative approach where both parties can negotiate terms in a way that is most beneficial for their specific situation. In real estate transactions, it's vital for all parties to be clear about who is responsible for various costs, including taxes, to avoid misunderstandings and ensure all legal obligations are met.

**7. Which of the following is a requirement to obtain a real estate license in Georgia?**

- A. Be a resident of Georgia for at least 5 years**
- B. Complete a specified number of hours of pre-license education**
- C. Pass a background check**
- D. All of the above**

To obtain a real estate license in Georgia, completing a specified number of hours of pre-license education is indeed a crucial requirement. In Georgia, prospective real estate agents must successfully complete a minimum of 75 hours of approved pre-license education. This education covers essential topics such as real estate principles, practices, and Georgia real estate laws, preparing individuals for their roles in the industry. While being a resident of Georgia and passing a background check might be part of the broader eligibility criteria for obtaining a real estate license, they are not explicitly specified as unique requirements in the same way that the education component is. The educational requirement is clearly defined by the Georgia Real Estate Commission, making it a fundamental step in the licensing process. In essence, meeting the educational requirement ensures that candidates have the necessary knowledge and skills to operate competently and ethically as real estate professionals in Georgia.

**8. When advertising their own property for sale, what must a licensee include?**

- A. Notify the Georgia Real Estate Commission**
- B. Include the legend "seller holds a real estate license"**
- C. Advertise in the name of the broker**
- D. Have the broker's written consent**

Including the legend "seller holds a real estate license" in advertisements made by a licensee who is selling their own property is critical for transparency and compliance with Georgia real estate laws. This requirement serves to inform potential buyers that the seller is a licensed real estate professional, which can impact the buyer's perception of the transaction and ensure that all parties are fully aware of the seller's qualifications. It helps maintain ethical standards within the industry by ensuring that the licensee does not leverage their position to gain an unfair advantage over buyers who may not be aware of their professional status. This stipulation is part of the broader regulatory framework established by the Georgia Real Estate Commission to promote honesty and integrity within real estate transactions. It safeguards against any misrepresentation or implied advantages due to the seller's license status.

**9. A salesperson attempts to persuade a couple to break their existing contract to purchase another home. What have they committed?**

- A. Properly represented her principal**
- B. Committed an unfair practice**
- C. Acted properly with broker notification**
- D. Acted appropriately as they did not initiate conversation**

The situation described involves a salesperson persuading a couple to breach an existing contract to purchase another home, which constitutes an unfair practice in real estate. Engaging in behavior that encourages someone to break a legally binding agreement can be seen as unethical and contrary to the principles of fair dealing expected in real estate transactions. In real estate, professionals are expected to uphold honesty and integrity in their dealings. Persuading someone to disregard an existing contract not only disrespects that agreement but can also lead to legal repercussions for the parties involved. By trying to convince the couple to break their contract, the salesperson undermines the trust and ethical obligations owed to both the clients and the industry at large, potentially causing harm to the couple's financial standing and legal rights. This action does not align with the responsibilities of a real estate professional, who should instead promote compliance with laws and contracts, thereby protecting the interests of their clients and the integrity of real estate transactions.

**10. What is required of a salesperson when they receive an offer along with an earnest money deposit?**

- A. Turn over the earnest money to the listing broker within three days.**
- B. Place the earnest money in a federally insured account.**
- C. Turn over the earnest money to the broker holding the salesperson's license as soon after receipt as practically possible.**
- D. Put the earnest money in the custody of the seller.**

When a salesperson receives an offer accompanied by an earnest money deposit, the requirement is to turn over the earnest money to the broker holding the salesperson's license as soon after receipt as practically possible. This is a critical procedure in real estate transactions, as the earnest money demonstrates the buyer's commitment to purchasing the property and is often held in trust until the transaction is finalized. Transferring the earnest money to the broker ensures that the funds are managed appropriately and in accordance with state laws. Brokers are responsible for handling earnest money deposits in a manner that protects both the buyer and seller, ensuring compliance with regulatory requirements related to escrow funds. This process helps maintain professionalism in real estate transactions and builds trust between all parties involved. The other options provided may suggest alternative handling processes, but they do not align with the regulations that govern the actions of a licensed salesperson in Georgia. For example, while handling of earnest money accounts is vital, placing funds in a federally insured account or turning them over to a listing broker might not fully comply with the required protocol of involving the broker holding the salesperson's license. Moreover, giving the earnest money directly to the seller could lead to complications or misunderstandings regarding the transaction, thus contravening established guidelines.

# 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](mailto:hello@examzify.com).**

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

**<https://garealestatelawsrules.examzify.com>**

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

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