

# Georgia The CE Shop State Practice Exam (Sample)

## Study Guide



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

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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

- 1. What type of agreement can be considered a contract for real estate purposes?**
  - A. Oral agreements only**
  - B. A written agreement only**
  - C. A written agreement signed by all parties**
  - D. Any form of communication**
- 2. What form should Alicia use to sign an exclusive buyer agency agreement with Eric in Georgia?**
  - A. GAR Exclusive Buyer Brokerage Agreement form**
  - B. GREC's mandated buyer agency agreement form**
  - C. NAR Exclusive Buyer Brokerage Agreement form**
  - D. The form approved in the brokerage policy and procedure manual**
- 3. What is a "listing agreement" in real estate?**
  - A. A contract allowing buyers to search online for properties**
  - B. A contract between a property owner and a real estate broker authorizing the broker to sell the property**
  - C. An agreement between multiple real estate agents for joint sales**
  - D. A document for negotiating repairs and improvements**
- 4. What is a "quitclaim deed"?**
  - A. A legal instrument that transfers ownership interest in a property without guaranteeing the title**
  - B. A document that secures a loan for a property**
  - C. A title transfer that includes a warranty of ownership**
  - D. A property tax assessment document**
- 5. In real estate, what does foreclosure mean?**
  - A. A re-evaluation of property values**
  - B. The legal process by which a lender can repossess a property due to default on payments**
  - C. The transfer of property ownership through a sale**
  - D. The settlement of a property dispute between sellers**

- 6. What does a property survey help to define?**
- A. The architectural design of a home**
  - B. The marketing strategy for selling a property**
  - C. The precise boundaries and dimensions of a property**
  - D. The environmental impact of a construction project**
- 7. What is the primary difference between a Georgia exclusive and non-exclusive buyer's agreement?**
- A. The broker isn't entitled to a retainer fee in a non-exclusive agreement**
  - B. The broker's duties are broader in the executive agreement**
  - C. The broker's duties are narrower in the exclusive agreement**
  - D. The only difference is whether the buyer is working with one broker or multiple brokers**
- 8. Which statement about license qualifications for brokers in Georgia is true?**
- A. Broker applicants must take an additional 60 hours of education before applying for a broker's license**
  - B. Brokers must be active as salespersons for at least six years prior to applying for a broker's license**
  - C. Brokers must have four-year college degrees or equivalent**
  - D. Salespersons must have a four-year college degree or equivalent**
- 9. In a deed of trust, who is identified as the beneficiary?**
- A. Trustor**
  - B. Trustee**
  - C. Lender**
  - D. Borrower**
- 10. Which of these is considered a key duty of a real estate broker?**
- A. Advertising properties**
  - B. Providing legal advice**
  - C. Negotiating contracts**
  - D. Conducting home inspections**



## **Answers**

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

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## **Explanations**

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**1. What type of agreement can be considered a contract for real estate purposes?**

- A. Oral agreements only**
- B. A written agreement only**
- C. A written agreement signed by all parties**
- D. Any form of communication**

A written agreement signed by all parties is considered a contract for real estate purposes because real estate transactions typically involve significant legal and financial implications. Having a written document serves several purposes in this context: 1. **\*\*Legal Validity\*\***: Written agreements are legally enforceable and provide clear evidence of the intentions and terms agreed upon by the parties involved. This is critical in real estate, where the stakes are high, and disputes may arise. 2. **\*\*Clarity and Specificity\*\***: A written document outlines the specific terms of the agreement, including property details, purchase price, and any contingencies. This reduces ambiguity and confusion, which can lead to disputes. 3. **\*\*Compliance with Statutes\*\***: Many jurisdictions, including Georgia, have laws that require certain real estate contracts to be in writing to be enforceable. This is often governed by statutes of fraud which mandate that contracts related to real estate must be documented to be valid. While oral agreements and other forms of communication may be recognized in certain informal contexts, they often lack the legal standing and efficacy of a written, signed contract, particularly in the realm of real estate. Thus, a written agreement where all parties have signed ensures that all parties are legally bound to the terms of the contract and

**2. What form should Alicia use to sign an exclusive buyer agency agreement with Eric in Georgia?**

- A. GAR Exclusive Buyer Brokerage Agreement form**
- B. GREC's mandated buyer agency agreement form**
- C. NAR Exclusive Buyer Brokerage Agreement form**
- D. The form approved in the brokerage policy and procedure manual**

In Georgia, the correct approach for Alicia to sign an exclusive buyer agency agreement with Eric is to use the form that is specified in the brokerage policy and procedure manual. This choice underscores the importance of complying with internal brokerage guidelines, which are designed to meet both legal requirements and the specific operational standards of the agency. Brokerage policies may dictate the forms that agents must use for agreements, ensuring consistency and proper adherence to the standards set by the brokerage. The use of a form from the brokerage manual helps maintain professionalism and compliance with the agency's practices while also ensuring that the agreement is valid and enforceable under Georgia law. Although there may be other forms available, like the GAR Exclusive Buyer Brokerage Agreement or GREC's mandated form, these are not necessarily required if the brokerage has its own approved version. Each brokerage may establish its own preferred documentation that aligns with its operational protocols and regulatory compliance. Thus, adhering to the form approved in the brokerage manual is essential for the transaction to proceed smoothly and within the framework established by the agency.

### 3. What is a "listing agreement" in real estate?

- A. A contract allowing buyers to search online for properties
- B. A contract between a property owner and a real estate broker authorizing the broker to sell the property**
- C. An agreement between multiple real estate agents for joint sales
- D. A document for negotiating repairs and improvements

A listing agreement in real estate is a specific type of contract between a property owner and a real estate broker. This contract grants the broker the authority to act on behalf of the property owner to sell the property. The agreement typically details the terms of the listing, including the duration, the commission rate, and the responsibilities of both parties. By signing this agreement, the property owner provides the broker with the right to market the property to potential buyers, facilitating the sale process. This contract is crucial in establishing a professional relationship and ensuring that both the owner and the broker understand their roles and obligations in the transaction. It serves as the foundation for the broker to promote the property effectively and negotiate on behalf of the seller, making it an essential aspect of the real estate transaction process.

### 4. What is a "quitclaim deed"?

- A. A legal instrument that transfers ownership interest in a property without guaranteeing the title**
- B. A document that secures a loan for a property
- C. A title transfer that includes a warranty of ownership
- D. A property tax assessment document

A quitclaim deed is a legal instrument specifically designed to transfer a person's interest or claim in a property without providing any warranty or guarantee regarding the title. This means that the grantor (the person transferring the property) does not assure the grantee (the person receiving the property) that they have valid ownership or that the property is free of encumbrances or other claims. The quitclaim deed simply conveys whatever rights the grantor has, if any, at the time of the transfer. This instrument is often used in situations where the parties know each other, such as between family members, or to clear up title issues. It is distinct from other types of deeds, such as warranty deeds, which do provide assurances about the title and ownership validity. In simple terms, a quitclaim deed is primarily focused on the transfer of rights rather than the security of those rights, making option A the correct choice.

**5. In real estate, what does foreclosure mean?**

- A. A re-evaluation of property values**
- B. The legal process by which a lender can repossess a property due to default on payments**
- C. The transfer of property ownership through a sale**
- D. The settlement of a property dispute between sellers**

Foreclosure specifically refers to the legal process by which a lender can take possession of a property when the borrower fails to meet the repayment terms of their mortgage or loan. This typically occurs after a series of missed payments. In this process, the lender has the right to recover the amount owed by selling the property, usually through an auction. It is designed to protect the lender's interests when a borrower defaults, allowing them to recapture their investment. The other choices mention concepts that are related to real estate but do not accurately define foreclosure. For example, re-evaluating property values pertains to appraisals, and transferring ownership through a sale describes standard real estate transactions. Settling property disputes involves negotiation and may take the form of mediation or legal proceedings but is distinct from the foreclosure process. Thus, only the definition focused on the lender's ability to repossess property due to non-payment properly captures the essence of foreclosure.

**6. What does a property survey help to define?**

- A. The architectural design of a home**
- B. The marketing strategy for selling a property**
- C. The precise boundaries and dimensions of a property**
- D. The environmental impact of a construction project**

A property survey is essential for determining the precise boundaries and dimensions of a property. This is critical for various reasons, including establishing the legal boundaries required for ownership, ensuring compliance with zoning regulations, and providing clarity for property disputes. By identifying the exact lines that separate one property from another, a survey can help prevent encroachments or misunderstandings between neighbors regarding property lines. While other options touch upon relevant aspects of property management and development, they do not relate specifically to the core purpose of a property survey. The architectural design focuses on the layout and aesthetics of a building, the marketing strategy addresses how to sell the property effectively, and the environmental impact pertains to assessing how a construction project may affect the surrounding ecosystem. None of these are the primary objectives of conducting a property survey.

**7. What is the primary difference between a Georgia exclusive and non-exclusive buyer's agreement?**

- A. The broker isn't entitled to a retainer fee in a non-exclusive agreement**
- B. The broker's duties are broader in the executive agreement**
- C. The broker's duties are narrower in the exclusive agreement**
- D. The only difference is whether the buyer is working with one broker or multiple brokers**

The correct choice focuses on the key distinction between Georgia's exclusive and non-exclusive buyer's agreements. An exclusive buyer's agreement means that the buyer commits to working with one specific broker, granting that broker exclusivity in representing the buyer for the duration of the agreement. In contrast, a non-exclusive buyer's agreement allows the buyer to engage with multiple brokers, meaning they are not limited to just one representative. This difference is crucial because it impacts the broker's ability to earn a commission and the buyer's flexibility in seeking properties. In an exclusive arrangement, the broker has a secure position to advocate for the buyer, as they are the sole representative, which can enhance the broker's incentive to provide dedicated service. Meanwhile, in a non-exclusive setup, the buyer maintains the freedom to explore broader options with different brokers at the same time, which could lead to varying levels of service and commitment from each broker involved. While the other options reference elements such as retainer fees and the scope of the broker's duties, they do not capture the essential aspect of exclusivity versus non-exclusivity in the buyer's relationship with the broker, which is the core of this question.

**8. Which statement about license qualifications for brokers in Georgia is true?**

- A. Broker applicants must take an additional 60 hours of education before applying for a broker's license**
- B. Brokers must be active as salespersons for at least six years prior to applying for a broker's license**
- C. Brokers must have four-year college degrees or equivalent**
- D. Salespersons must have a four-year college degree or equivalent**

The statement regarding broker applicants needing to take an additional 60 hours of education before applying for a broker's license is accurate. In Georgia, in addition to fulfilling the requirements for becoming a licensed salesperson, individuals looking to become brokers are mandated to complete a total of 150 hours of approved real estate education. This includes the 60 hours of broker pre-license education, which goes beyond the initial requirements for a salesperson. This emphasis on further education ensures that brokers are adequately prepared for the complexities of managing their own real estate business and supervising agents. The education also covers advanced topics that are crucial for the responsibilities brokers undertake, such as legal compliance and management, which are essential for maintaining ethical and professional standards in real estate practice. While other statements discuss the qualifications for brokers and sales agents, they do not correctly reflect the actual requirements set by Georgia's real estate regulations regarding education and experience.

**9. In a deed of trust, who is identified as the beneficiary?**

- A. Trustor**
- B. Trustee**
- C. Lender**
- D. Borrower**

In a deed of trust, the beneficiary is the lender. This is because the deed of trust is a type of security instrument used to secure a loan. In this arrangement, the borrower (or trustor) conveys the legal title of the property to a third party (the trustee) as an assurance for the repayment of the loan to the lender. If the borrower defaults on the loan, the lender, as the beneficiary, has the right to instruct the trustee to take possession of the property and sell it to recover the owed amount. The role of the beneficiary highlights the lender's interests and rights within the deed of trust arrangement, as they are the party extending the loan and expecting repayment with interest. Understanding the functions of each party in a deed of trust is crucial in real estate finance, as it defines the legal relationships and responsibilities associated with property financing.

**10. Which of these is considered a key duty of a real estate broker?**

- A. Advertising properties**
- B. Providing legal advice**
- C. Negotiating contracts**
- D. Conducting home inspections**

Negotiating contracts is a fundamental duty of a real estate broker. This process involves representing clients in discussions to reach an agreement on the sale or purchase of properties. Brokers must possess strong communication and negotiation skills to advocate for their clients' best interests, ensuring that the terms of the agreement are favorable and satisfactory for all parties involved. While advertising properties is an important aspect of a broker's responsibilities, it primarily focuses on marketing and exposure rather than the direct management of contractual negotiations. Providing legal advice falls outside the scope of a broker's role, as brokers should not offer professional legal counsel unless they are also licensed attorneys. Conducting home inspections is generally the responsibility of specialized inspectors rather than brokers, who facilitate the transaction but do not typically assess property condition themselves.



## 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://gatheceshopstate.examzify.com>**

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