INTEGRATED CLOSING PRACTICE

One closing. Every dollar.

Work through buyer funds, seller net, Georgia taxes, and a ledger that balances. Read the assumptions, write your setup, then check the reasoning.

SCENARIO	PRACTICE	REVIEW
Georgia purchase	6 exercises	Full working

STUDY WITH PURPOSE

Know the rule. Make the call.

Open the lesson, then put it into practice.

OPEN ONLINE

The transaction

All figures and cost allocations below are study assumptions. The negotiated brokerage fee is for this exercise only, not a standard rate.

1. A fictional purchase closes October 30, 2026 for $425,000. The new loan is $340,000 and the buyer has already deposited $10,000. No existing debt is assumed.

2. The seller's payoff is $250,000. For this exercise only, the negotiated brokerage fee is 5% of price. Other seller costs are $2,000, and the seller gives the buyer a $3,500 credit.

3. The buyer pays a 1% origination charge on the loan, $3,500 in other costs, and $1,200 in prepaid items. Those amounts exclude the taxes and charges separately listed here.

4. The new secured note is taxable for intangible recording tax: some principal is due more than 62 months after its date. No exemption applies. The seller pays transfer tax and the buyer pays intangible recording tax under this hypothetical contract.

5. Annual property tax is $3,650 and is unpaid. Use actual/365, with the seller owning the closing day: January 1 through October 30 is 303 days. The buyer will pay the full bill later. No other entries apply.

Before you start

EXAM LENS

Two sides, one ledger

Track who owes each charge and who receives each credit. The deposit is part of the price already funded. The seller credit and unpaid-tax proration affect both parties; they are not extra third-party disbursements.

Your working sheet

Answers begin on the next page. Show the base, operation, and units, not only the result.

1. Calculate transfer tax, intangible recording tax, and the origination charge. Which base does each use?

Setup / reasoning	Result

2. Calculate the seller's property-tax share and enter its debit and credit.

Setup / reasoning	Result

3. Calculate the seller's net after payoff, commission, costs, credit, and tax entries.

Setup / reasoning	Result

4. Calculate the buyer's new cash still due, after the loan, deposit, and credits.

Setup / reasoning	Result

5. Reconcile the transaction: do cash sources equal disbursements and prepaid items?

Setup / reasoning	Result

6. Change one fact: the seller credit rises by $1,000. What happens to seller net and buyer cash?

Setup / reasoning	Result

Answers and reasoning

1. $425.00 transfer tax on price; $1,020.00 intangible recording tax on the qualifying note; $3,400.00 origination charge on the loan.

Transfer tax: $1 + (($425,000 - $1,000) / $100 × $0.10) = $425. Intangible tax: ($340,000 / $500) × $1.50 = $1,020. Origination: $340,000 × 1% = $3,400.

2. $3,030.00: debit seller, credit buyer.

$3,650 / 365 = $10 per day. Multiply by 303 seller days. The buyer receives the credit because the buyer will pay the full unpaid bill later. This is not an additional payment to the tax authority at this closing.

3. $144,795.00

$425,000 - $250,000 - $21,250 - $2,000 - $3,500 - $425 - $3,030 = $144,795. The buyer's deposit is part of the price, not a second seller deduction.

4. $77,590.00

$425,000 - $340,000 + $3,400 + $1,020 + $3,500 + $1,200 - $10,000 - $3,500 - $3,030 = $77,590. Apply the deposit once, and apply both buyer credits.

5. Both equal $427,590.00.

Sources: $340,000 loan + $10,000 deposit + $77,590 new buyer funds. Uses: $144,795 seller net + $250,000 payoff + $21,250 commission + $2,000 seller costs + $425 transfer tax + $3,400 origination + $1,020 intangible tax + $3,500 buyer costs + $1,200 prepaids. The seller credit and tax proration are transfers between the parties, not extra third-party disbursements.

6. Seller net falls to $143,795; buyer cash falls to $76,590.

The additional seller-paid credit reduces each figure by $1,000. With other charges unchanged, both cash sources and total uses fall by the same amount. Actual loan programs can limit credits; this exercise assumes the stated credit is permitted.

The completed ledgers

A minus sign reduces the party's cash figure. A plus sign increases it.

Seller

Entry	Amount
Sale price	$425,000.00
Loan payoff	- $250,000.00
Negotiated commission	- $21,250.00
Other seller costs	- $2,000.00
Seller credit	- $3,500.00
Transfer tax	- $425.00
Unpaid tax proration	- $3,030.00
Seller net	$144,795.00

Buyer

Entry	Amount
Price less loan	$85,000.00
Origination charge	+ $3,400.00
Intangible recording tax	+ $1,020.00
Other buyer costs	+ $3,500.00
Prepaid items	+ $1,200.00
Deposit already paid	- $10,000.00
Seller credit	- $3,500.00
Unpaid tax credit	- $3,030.00
New buyer cash due	$77,590.00

Sources, scope, and revision record

This independent study resource is not issued or endorsed by GREC or PSI. Official rules and your appointment instructions control if anything changes.

TRUST STANDARD

Built for verifiability

Every high-stakes number has an official source. Rules that vary by facts are framed as study distinctions, not personal legal advice.

[1] **Georgia DOR, Real Estate Transfer Tax**
https://dor.georgia.gov/real-estate-transfer-tax

[2] **Georgia DOR, Intangible Recording Tax**
https://dor.georgia.gov/intangible-recording-tax

[3] **Georgia DOR Bulletin 2025-02, 62-month recording-date rule**
https://dor.georgia.gov/document/document/hb-586-sb-141-informational-bulletin-2025-02/download

[4] **PSI Georgia Candidate Information Bulletin, 7/1/2026, salesperson calculations and Georgia closing topics**
https://test-takers.psiexams.com/api/content/bulletin/4678

Edition control	Value
Primary exam source	PSI Georgia Candidate Information Bulletin, 7/1/2026
Publisher	Pass Georgia Real Estate Exam Prep
Corrections	https://www.passgeorgiarealestate.com/exam-guide/corrections

Keep studying in context
Scan for the full lesson, source links, interactive practice, and the Pass Georgia app. The app is live on iOS and Android, $59.99 once with no subscription.