GEORGIA REAL ESTATE EXAM GLOSSARY

Equal Credit Opportunity Act (ECOA)

ECOA is the federal law prohibiting creditors from discriminating in any aspect of a credit transaction on protected bases specified by the Act and Regulation B.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Financing	Federal mortgage law	Define, distinguish, apply, retrieve

SOURCE STANDARD

Official exam outline plus authoritative Georgia or federal references where the topic has a controlling rule. Independent educational resource, not affiliated with GREC or PSI.

01 / COMPLETE LESSON

Build the complete exam definition

Learn the rule, separate it from the nearest distractor, then apply it to a Georgia fact pattern.

CORE DEFINITION

What does Equal Credit Opportunity Act (ECOA) mean?

ECOA is the federal law prohibiting creditors from discriminating in any aspect of a credit transaction on protected bases specified by the Act and Regulation B.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

ECOA governs credit discrimination. The Fair Housing Act reaches housing discrimination more broadly, including sale, rental, and housing-related services.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

ECOA applies to covered creditors and applicants in Georgia. A creditor may evaluate legitimate creditworthiness factors but cannot use a prohibited basis as the reason for adverse treatment.

WORKED EXAMPLE

A lender refuses to consider an applicant's income because the applicant receives it from a lawful public-assistance program. That raises ECOA concerns.

EXAM TRAP

A lending decision can implicate both ECOA and fair housing law. Do not assume only one statute can apply.

Memory cue: A lending decision can implicate both ECOA and fair housing law.

02 / PRACTICE AND MASTERY

Retrieve the rule under exam conditions

Answer before reading the explanation. Then explain why every distractor belongs to a different term.

ORIGINAL PRACTICE CHECK

Which statement correctly explains Equal Credit Opportunity Act (ECOA)?

A The federal Fair Housing Act prohibits discrimination in covered housing sales, rentals, advertising, financing, brokerage, and related services because of race, color, religion, sex, familial status, national origin, or disability.

B A protected class is a group defined by a characteristic that anti-discrimination law prohibits decision-makers from using as a basis for specified housing, credit, employment, or public-accommodation conduct.

C Redlining is denying, limiting, pricing, or discouraging lending, insurance, brokerage, or other housing-related services because of the racial, ethnic, protected-class, or geographic character of an area rather than legitimate individual risk factors.

D ECOA is the federal law prohibiting creditors from discriminating in any aspect of a credit transaction on protected bases specified by the Act and Regulation B.

CORRECT ANSWER: D

Equal Credit Opportunity Act (ECOA) is correct. ECOA is the federal law prohibiting creditors from discriminating in any aspect of a credit transaction on protected bases specified by the Act and Regulation B. ECOA governs credit discrimination. The Fair Housing Act reaches housing discrimination more broadly, including sale, rental, and housing-related services. ECOA applies to covered creditors and applicants in Georgia. A creditor may evaluate legitimate creditworthiness factors but cannot use a prohibited basis as the reason for adverse treatment.

MASTERY TRACKER

Mark each box only when you can perform the skill without looking.

- [ ] I can define the term in one precise sentence.
- [ ] I can separate it from the closest look-alike.
- [ ] I can explain the Georgia rule or confirm that the national rule applies.
- [ ] I can answer the practice check and explain every option.

03 / CONNECTIONS AND AUTHORITY

Connect the term to the wider exam

Use these relationships to move from isolated recall to a connected exam model.

RELATED TERM

Fair Housing Act

The federal Fair Housing Act prohibits discrimination in covered housing sales, rentals, advertising, financing, brokerage, and related services because of race, color, religion, sex, familial status, national origin, or disability.

https://www.passgeorgiarealestate.com/glossary/fair-housing-act

RELATED TERM

Protected class

A protected class is a group defined by a characteristic that anti-discrimination law prohibits decision-makers from using as a basis for specified housing, credit, employment, or public-accommodation conduct.

https://www.passgeorgiarealestate.com/glossary/protected-class

RELATED TERM

Redlining

Redlining is denying, limiting, pricing, or discouraging lending, insurance, brokerage, or other housing-related services because of the racial, ethnic, protected-class, or geographic character of an area rather than legitimate individual risk factors.

https://www.passgeorgiarealestate.com/glossary/redlining

RELATED TERM

Truth in Lending Act (TILA)

TILA is the federal consumer-credit law requiring standardized disclosure of credit costs and terms, including finance charges and annual percentage rate, and governing specified advertising and rescission rights through Regulation Z.

https://www.passgeorgiarealestate.com/glossary/tila

RECOMMENDED NEXT COMPLETE LESSON

Financing complete lesson

https://www.passgeorgiarealestate.com/study-guide/financing/federal-lending-laws

EXAM SOURCES AND AUTHORITY NOTES

1. PSI Georgia Candidate Information Bulletin, 7/1/2026

Official exam administration and content-outline source.

https://test-takers.psiexams.com/api/content/bulletin/4672

2. Consumer Financial Protection Bureau, Regulation B

Current federal ECOA regulation. Its July 2026 amendments remove disparate-impact liability under ECOA, so Fair Housing Act analysis must remain separate.

https://www.consumerfinance.gov/rules-policy/regulations/1002/

3. U.S. Department of Housing and Urban Development, Fair Housing Act Overview

Federal source for protected classes, prohibited conduct, accommodations, and modifications.

https://www.hud.gov/helping-americans/fair-housing-act-overview