PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Fiduciary duty

Fiduciary duty is the heightened obligation of loyalty, obedience within lawful authority, disclosure, confidentiality, accounting, and reasonable care that an agent owes the principal, as shaped by statute and agreement.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Agency	Agency foundations	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 Fiduciary duty mean?

Fiduciary duty is the heightened obligation of loyalty, obedience within lawful authority, disclosure, confidentiality, accounting, and reasonable care that an agent owes the principal, as shaped by statute and agreement.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Fiduciary duties are owed to a client or principal. A customer is still owed honesty and specified disclosures but not the same advocacy and loyalty.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

BRRETA states the duties Georgia brokers owe in seller and buyer engagements and protects specified confidential information even after the engagement ends.

WORKED EXAMPLE

A buyer's agent keeps the buyer's maximum price confidential while diligently presenting the buyer's authorized offer.

EXAM TRAP

Obedience never requires following an illegal instruction, and disclosure to a client does not authorize revealing another client's confidence.

Memory cue: Obedience never requires following an illegal instruction, and disclosure to a client does not authorize revealing another client's confidence.

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 Fiduciary duty?

- **A** Fiduciary duty is the heightened obligation of loyalty, obedience within lawful authority, disclosure, confidentiality, accounting, and reasonable care that an agent owes the principal, as shaped by statute and agreement.
- **B** Agency is a legal relationship in which an agent is authorized to act for a principal and owes duties arising from the relationship, the agreement, and applicable law.
- **C** A client is a person who enters a brokerage engagement with a broker.
- **D** A customer is a party in a real estate transaction whom a broker does not represent but may assist through ministerial acts.

CORRECT ANSWER: A

Fiduciary duty is correct. Fiduciary duty is the heightened obligation of loyalty, obedience within lawful authority, disclosure, confidentiality, accounting, and reasonable care that an agent owes the principal, as shaped by statute and agreement. Fiduciary duties are owed to a client or principal. A customer is still owed honesty and specified disclosures but not the same advocacy and loyalty. BRRETA states the duties Georgia brokers owe in seller and buyer engagements and protects specified confidential information even after the engagement ends.

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

Agency

Agency is a legal relationship in which an agent is authorized to act for a principal and owes duties arising from the relationship, the agreement, and applicable law.

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

RELATED TERM

Client

A client is a person who enters a brokerage engagement with a broker.

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

RELATED TERM

Customer

A customer is a party in a real estate transaction whom a broker does not represent but may assist through ministerial acts.

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

RELATED TERM

Dual agency

Dual agency occurs when one broker represents both buyer and seller in the same transaction.

https://www.passgeorgiarealestate.com/glossary/dual-agency

RECOMMENDED NEXT COMPLETE LESSON

Agency complete lesson

https://www.passgeorgiarealestate.com/study-guide/agency/creation-and-types

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. Georgia Brokerage Relationships in Real Estate Transactions Act

GREC's official law portal links to Title 10, Chapter 6A, the Georgia agency statute.

https://grec.state.ga.us/information-research/license-law/