PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Power of sale

A power-of-sale clause authorizes the secured creditor to sell the collateral after default through the contractually authorized nonjudicial foreclosure process, provided Georgia's notice, advertisement, time, place, and sale requirements are met.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Finance and Closing	**Georgia security deeds**	**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 Power of sale mean?

A power-of-sale clause authorizes the secured creditor to sell the collateral after default through the contractually authorized nonjudicial foreclosure process, provided Georgia's notice, advertisement, time, place, and sale requirements are met.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Power of sale is the authority in the security instrument. Foreclosure is the enforcement process, and judicial foreclosure proceeds through a court judgment.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

Georgia security deeds commonly contain power-of-sale language. Statutory notice and sale safeguards still apply, so the lender cannot simply take or privately sell the property at will.

WORKED EXAMPLE

After uncured default, a creditor follows Georgia's required notice and public-sale procedure under the deed's power-of-sale provision.

EXAM TRAP

Nonjudicial does not mean unregulated or immediate. The absence of a foreclosure lawsuit does not remove statutory steps.

Memory cue: Nonjudicial does not mean unregulated or immediate.

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 Power of sale?

- **A** A security deed, also called a deed to secure debt, is Georgia's customary instrument for securing a real estate loan.
- **B** Title theory describes a financing system in which the security instrument places legal title with the lender until the secured debt is satisfied, while the borrower keeps equitable ownership and possession.
- **C** A power-of-sale clause authorizes the secured creditor to sell the collateral after default through the contractually authorized nonjudicial foreclosure process, provided Georgia's notice, advertisement, time, place, and sale requirements are met.
- **D** An acceleration clause permits the lender, after a defined default and required process, to declare the entire unpaid loan balance immediately due rather than collect only the missed installment.

CORRECT ANSWER: C

Power of sale is correct. A power-of-sale clause authorizes the secured creditor to sell the collateral after default through the contractually authorized nonjudicial foreclosure process, provided Georgia's notice, advertisement, time, place, and sale requirements are met. Power of sale is the authority in the security instrument. Foreclosure is the enforcement process, and judicial foreclosure proceeds through a court judgment. Georgia security deeds commonly contain power-of-sale language. Statutory notice and sale safeguards still apply, so the lender cannot simply take or privately sell the property at will.

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

Security deed

A security deed, also called a deed to secure debt, is Georgia's customary instrument for securing a real estate loan.

https://www.passgeorgiarealestate.com/glossary/security-deed

RELATED TERM

Title theory

Title theory describes a financing system in which the security instrument places legal title with the lender until the secured debt is satisfied, while the borrower keeps equitable ownership and possession.

https://www.passgeorgiarealestate.com/glossary/title-theory

RELATED TERM

Acceleration clause

An acceleration clause permits the lender, after a defined default and required process, to declare the entire unpaid loan balance immediately due rather than collect only the missed installment.

https://www.passgeorgiarealestate.com/glossary/acceleration-clause

RELATED TERM

Satisfaction or cancellation of security deed

Satisfaction or cancellation of a Georgia security deed is the formal record that the secured debt has been paid and the security deed has been cancelled, which operates to reconvey title as provided by Georgia law.

https://www.passgeorgiarealestate.com/glossary/security-deed-cancellation

RECOMMENDED NEXT COMPLETE LESSON

Finance and Closing complete lesson

https://www.passgeorgiarealestate.com/blog/georgia-foreclosure-power-of-sale

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. O.C.G.A. Title 44, Chapter 14, Mortgages, Conveyances to Secure Debt, and Liens

Current Georgia security-deed, cancellation, lien, and power-of-sale authority through the state-authorized code portal.

https://www.lexisnexis.com/hottopics/gacode/Default.asp