PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Property management agreement

A property management agreement is a written contract authorizing a manager or brokerage to operate rental property for an owner within stated powers, duties, fees, term, reporting, leasing, maintenance, trust-fund, and termination provisions.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Property Management	**Property management**	**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 Property management agreement mean?

A property management agreement is a written contract authorizing a manager or brokerage to operate rental property for an owner within stated powers, duties, fees, term, reporting, leasing, maintenance, trust-fund, and termination provisions.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

The management agreement creates authority between owner and manager. A lease creates possession and payment rights between landlord and tenant.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

Georgia brokerage and trust-account rules apply when a licensee manages property for another. Authority to spend, sign leases, hold deposits, and hire vendors must come from the agreement and law.

WORKED EXAMPLE

An owner authorizes a brokerage to advertise units, screen applicants under lawful criteria, collect rent, arrange repairs within a dollar limit, and report monthly.

EXAM TRAP

A manager's broad operational role does not create unlimited authority to sell, borrow against, or materially alter the property.

Memory cue: A manager's broad operational role does not create unlimited authority to sell, borrow against, or materially alter the property.

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 Property management agreement?

- **A** A security deposit is money a landlord holds to secure a tenant's performance, such as payment of rent and responsibility for damage beyond ordinary wear, subject to the lease and applicable landlord-tenant law.
- **B** A property management agreement is a written contract authorizing a manager or brokerage to operate rental property for an owner within stated powers, duties, fees, term, reporting, leasing, maintenance, trust-fund, and termination provisions.
- **C** Trust funds are money or property a Georgia broker receives on behalf of another person in a real estate matter, including earnest money, rents, security deposits, and other client or customer funds when held by the broker.
- **D** A community association manager is a Georgia licensee authorized within the CAM license class to perform specified management services for condominium, cooperative, homeowner, and similar property-owner associations for compensation.

CORRECT ANSWER: B

Property management agreement is correct. A property management agreement is a written contract authorizing a manager or brokerage to operate rental property for an owner within stated powers, duties, fees, term, reporting, leasing, maintenance, trust-fund, and termination provisions. The management agreement creates authority between owner and manager. A lease creates possession and payment rights between landlord and tenant. Georgia brokerage and trust-account rules apply when a licensee manages property for another. Authority to spend, sign leases, hold deposits, and hire vendors must come from the agreement and law.

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 deposit

A security deposit is money a landlord holds to secure a tenant's performance, such as payment of rent and responsibility for damage beyond ordinary wear, subject to the lease and applicable landlord-tenant law.

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

RELATED TERM

Trust funds

Trust funds are money or property a Georgia broker receives on behalf of another person in a real estate matter, including earnest money, rents, security deposits, and other client or customer funds when held by the broker.

https://www.passgeorgiarealestate.com/glossary/trust-funds

RELATED TERM

Community association manager (CAM)

A community association manager is a Georgia licensee authorized within the CAM license class to perform specified management services for condominium, cooperative, homeowner, and similar property-owner associations for compensation.

https://www.passgeorgiarealestate.com/glossary/community-association-manager

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

RECOMMENDED NEXT COMPLETE LESSON

Property Management complete lesson

https://www.passgeorgiarealestate.com/study-guide/property-management/manager-duties

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 Real Estate License Law, O.C.G.A. Title 43, Chapter 40

GREC's official portal to Title 43, Chapter 40 and related real estate laws.

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

3. Georgia Real Estate Commission Rules, Chapter 520-1

Official Georgia Secretary of State publication of Commission rules governing licensure and brokerage.

https://rules.sos.ga.gov/gac/520-1