PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Real Estate Education, Research and Recovery Fund

Georgia's Real Estate Education, Research and Recovery Fund supports authorized education and research purposes and may compensate an eligible person who cannot collect a qualifying final judgment against a licensee, subject to statutory conditions and limits.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
State Laws and Rules	**Georgia regulation and discipline**	**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 Real Estate Education, Research and Recovery Fund mean?

Georgia's Real Estate Education, Research and Recovery Fund supports authorized education and research purposes and may compensate an eligible person who cannot collect a qualifying final judgment against a licensee, subject to statutory conditions and limits.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

The fund protects eligible members of the public. It is not malpractice insurance, a defense fund, or a way to reimburse a licensee for business losses.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

Payment is not automatic after a complaint. The claimant must satisfy the judgment, collection, filing, notice, and eligibility requirements in Georgia law.

WORKED EXAMPLE

A consumer obtains a final judgment for covered licensee misconduct, makes the required collection efforts, and then petitions under the statutory recovery process.

EXAM TRAP

A disciplinary finding alone is not the same as an eligible unpaid court judgment.

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

A consumer files a complaint with GREC, and the Commission disciplines the licensee for mishandling the consumer's deposit. The consumer now wants the Real Estate Education, Research and Recovery Fund to cover the loss. What generally comes first?

- **A** Payment follows as soon as GREC finds a violation
- **B** The fund first pays the licensee's legal defense costs
- **C** Payment follows any written claim the consumer submits
- **D** An unpaid final court judgment against the licensee

CORRECT ANSWER: D

The recovery fund pays eligible claimants only after statutory conditions are met, starting with a final court judgment against the licensee that cannot be collected. A disciplinary finding by GREC is not the same thing. The fund protects the public and is not a defense fund for licensees.

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

Georgia Real Estate Commission (GREC)

The Georgia Real Estate Commission, or GREC, is the state regulatory body that administers Georgia real estate license law, adopts rules, approves education, issues licenses, investigates complaints, and imposes authorized discipline.

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

RELATED TERM

Unfair practice

An unfair practice is conduct prohibited by Georgia real estate license law or Commission rules because it is dishonest, misleading, incompetent, unsafe, or inconsistent with the duties of a licensee.

https://www.passgeorgiarealestate.com/glossary/unfair-practice

RELATED TERM

Conversion

Conversion is the unauthorized taking, use, transfer, or exercise of control over money or property belonging to another person, including trust funds held in a real estate transaction.

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

RELATED TERM

Qualifying broker

A qualifying broker is the broker designated to GREC as responsible for a licensed firm's brokerage activity, affiliated licensees, trust funds, records, advertising, and compliance with Georgia license law and Commission rules.

https://www.passgeorgiarealestate.com/glossary/qualifying-broker

RECOMMENDED NEXT COMPLETE LESSON

State Laws and Rules complete lesson

https://www.passgeorgiarealestate.com/study-guide/georgia-laws-and-rules/recovery-fund

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/