GEORGIA REAL ESTATE EXAM GLOSSARY

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.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Practice of Real Estate	Fair housing	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 Redlining mean?

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.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Redlining restricts services by area. Steering directs where prospects look, and blockbusting pressures owners to transact through protected-class fear.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

Federal fair lending and fair housing laws apply to Georgia lenders and housing providers. A map, ZIP code, or neighborhood label cannot serve as a proxy for a prohibited basis.

WORKED EXAMPLE

A lender refuses all applications for homes in a racially identified neighborhood without evaluating applicants or property risk individually.

EXAM TRAP

Lawful location-based underwriting must rest on legitimate, consistently applied risk evidence rather than protected-class composition.

Memory cue: Lawful location-based underwriting must rest on legitimate, consistently applied risk evidence rather than protected-class composition.

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 Redlining?

- **A** Steering is guiding a housing prospect toward or away from neighborhoods, properties, or communities because of the person's protected-class status or the protected-class composition of an area.
- **B** Blockbusting is inducing or attempting to induce owners to sell or rent by suggesting that people of a protected class are entering or may enter the area and that negative consequences will follow.
- **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: C

Redlining is correct. 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. Redlining restricts services by area. Steering directs where prospects look, and blockbusting pressures owners to transact through protected-class fear. Federal fair lending and fair housing laws apply to Georgia lenders and housing providers. A map, ZIP code, or neighborhood label cannot serve as a proxy for a prohibited basis.

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

Steering

Steering is guiding a housing prospect toward or away from neighborhoods, properties, or communities because of the person's protected-class status or the protected-class composition of an area.

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

RELATED TERM

Blockbusting

Blockbusting is inducing or attempting to induce owners to sell or rent by suggesting that people of a protected class are entering or may enter the area and that negative consequences will follow.

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

RELATED TERM

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.

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

RELATED TERM

Disparate treatment

Disparate treatment is intentional discrimination in which similarly situated people receive different housing or credit treatment because of a protected characteristic.

https://www.passgeorgiarealestate.com/glossary/disparate-treatment

RECOMMENDED NEXT COMPLETE LESSON

Practice of Real Estate complete lesson

https://www.passgeorgiarealestate.com/study-guide/practice-of-real-estate/prohibited-fair-housing-conduct

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. 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

3. 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/