PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Real Estate Settlement Procedures Act (RESPA)

RESPA is the federal law governing specified settlement practices for covered federally related mortgage loans.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Financing	**Federal mortgage law**	**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 Settlement Procedures Act (RESPA) mean?

RESPA is the federal law governing specified settlement practices for covered federally related mortgage loans. Among other protections, it prohibits kickbacks and unearned referral fees for settlement-service business and requires disclosures implemented by Regulation X.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

RESPA focuses on settlement practices and referral compensation. TILA focuses on the cost and terms of consumer credit, implemented by Regulation Z.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

RESPA applies to covered Georgia transactions as federal law. A state licensee's separate Georgia compensation and disclosure duties still apply alongside it.

WORKED EXAMPLE

A title provider pays an agent solely for sending closing clients, with no actual compensable service performed. The arrangement raises RESPA Section 8 concerns.

EXAM TRAP

A referral payment is not lawful simply because it is disclosed to the consumer.

Memory cue: A referral payment is not lawful simply because it is disclosed to the consumer.

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 Real Estate Settlement Procedures Act (RESPA)?

- **A** RESPA is the federal law governing specified settlement practices for covered federally related mortgage loans.
- **B** TILA is the federal consumer-credit law requiring standardized disclosure of credit costs and terms, including finance charges and annual percentage rate, and governing specified advertising and rescission rights through Regulation Z.
- **C** TRID is the federal integrated-disclosure framework that combines specified TILA and RESPA mortgage information into the Loan Estimate and Closing Disclosure for most covered closed-end consumer mortgages.
- **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: A

Real Estate Settlement Procedures Act (RESPA) is correct. RESPA is the federal law governing specified settlement practices for covered federally related mortgage loans. Among other protections, it prohibits kickbacks and unearned referral fees for settlement-service business and requires disclosures implemented by Regulation X. RESPA focuses on settlement practices and referral compensation. TILA focuses on the cost and terms of consumer credit, implemented by Regulation Z. RESPA applies to covered Georgia transactions as federal law. A state licensee's separate Georgia compensation and disclosure duties still apply alongside it.

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

Truth in Lending Act (TILA)

TILA is the federal consumer-credit law requiring standardized disclosure of credit costs and terms, including finance charges and annual percentage rate, and governing specified advertising and rescission rights through Regulation Z.

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

RELATED TERM

TILA-RESPA Integrated Disclosures (TRID)

TRID is the federal integrated-disclosure framework that combines specified TILA and RESPA mortgage information into the Loan Estimate and Closing Disclosure for most covered closed-end consumer mortgages.

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

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

Closing attorney

A closing attorney is the Georgia-licensed lawyer who conducts the legal closing, oversees execution and disbursement, and handles the conveyancing and title-related legal work that constitutes the practice of law.

https://www.passgeorgiarealestate.com/glossary/closing-attorney

RECOMMENDED NEXT COMPLETE LESSON

Financing complete lesson

https://www.passgeorgiarealestate.com/study-guide/financing/federal-lending-laws

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. Consumer Financial Protection Bureau, Regulation X

Official implementing regulation for RESPA and covered settlement practices.

https://www.consumerfinance.gov/rules-policy/regulations/1024/