PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

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.

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 Satisfaction or cancellation of security deed mean?

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.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Paying the note satisfies the debt. Recording the cancellation clears the public title record of the security instrument.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

O.C.G.A. § 44-14-67 treats surrender and cancellation after payment as a reconveyance of title to the grantor.

WORKED EXAMPLE

A borrower pays the final loan balance, and the lender submits the proper cancellation so the county record no longer shows the security deed as an outstanding encumbrance.

EXAM TRAP

A zero loan balance and a clean public record are related but not identical facts. The recorded cancellation matters for title evidence.

Memory cue: A zero loan balance and a clean public record are related but not identical facts.

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 Satisfaction or cancellation of security deed?

- **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** Recordation is filing an eligible real estate instrument in the appropriate public land records so it becomes part of the chain of title and provides the notice and priority effects given by law.
- **D** 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.

CORRECT ANSWER: D

Satisfaction or cancellation of security deed is correct. 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. Paying the note satisfies the debt. Recording the cancellation clears the public title record of the security instrument. O.C.G.A. § 44-14-67 treats surrender and cancellation after payment as a reconveyance of title to the grantor.

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

Recordation

Recordation is filing an eligible real estate instrument in the appropriate public land records so it becomes part of the chain of title and provides the notice and priority effects given by law.

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

RELATED TERM

Marketable title

Marketable title is title reasonably free from substantial doubt, material defects, and probable litigation, such that a prudent purchaser would accept it under the contract.

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

RECOMMENDED NEXT COMPLETE LESSON

Finance and Closing complete lesson

https://www.passgeorgiarealestate.com/study-guide/georgia-finance-and-closing/note-security-deed-and-release

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

3. Georgia Superior Court Clerks' Cooperative Authority, Real Estate Index

Official statewide reference for Georgia real estate recording, indexing, and public land-record access.

https://www.gsccca.org/learn/projects-programs/real-estate-index