PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Security deed

A security deed, also called a deed to secure debt, is Georgia's customary instrument for securing a real estate loan.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Finance and Closing	**Georgia finance and closing**	**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 Security deed mean?

A security deed, also called a deed to secure debt, is Georgia's customary instrument for securing a real estate loan. The borrower conveys legal title to the lender as security while retaining possession and equitable ownership.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

A promissory note is the promise to repay. The security deed ties that debt to the real property and gives the lender the stated remedies after default.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

O.C.G.A. § 44-14-60 treats a deed to secure debt as a title conveyance until the debt is paid. It is not merely a lien-theory mortgage.

WORKED EXAMPLE

Nia signs one document promising to repay $280,000 and another conveying title as security for that debt. The second document is the security deed.

EXAM TRAP

Do not select mortgage or deed of trust merely because a national question bank used that vocabulary. Georgia stems usually expect security deed.

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

At a Georgia closing, the buyer signs two loan documents. One promises to repay $280,000. The other conveys legal title to the lender as security for that debt. Which statement labels them correctly?

- **A** The note is the promise, and a mortgage gives the lender a lien only
- **B** The security deed is the promise, and the note conveys the title
- **C** The note is the promise, and the security deed conveys the title
- **D** Both documents together form a deed of trust naming a trustee

CORRECT ANSWER: C

The promissory note is the promise to repay, and the security deed (deed to secure debt) conveys title to the lender as security. Georgia uses the security deed rather than a lien-theory mortgage. National question banks often say mortgage, which is why that option looks familiar.

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

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

Promissory note

A promissory note is the borrower's written promise to repay a debt under stated principal, interest, payment, maturity, and default terms.

https://www.passgeorgiarealestate.com/glossary/promissory-note

RELATED TERM

Power of sale

A power-of-sale clause authorizes the secured creditor to sell the collateral after default through the contractually authorized nonjudicial foreclosure process, provided Georgia's notice, advertisement, time, place, and sale requirements are met.

https://www.passgeorgiarealestate.com/glossary/power-of-sale

RELATED TERM

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 canceled, which operates to reconvey title as provided by Georgia law.

https://www.passgeorgiarealestate.com/glossary/security-deed-cancellation

RECOMMENDED NEXT COMPLETE LESSON

Finance and Closing complete lesson

https://www.passgeorgiarealestate.com/blog/georgia-security-deed-vs-mortgage

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