PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Seller net proceeds

Seller net proceeds are the amount a seller receives after subtracting payoff amounts, brokerage compensation, taxes, closing costs, debits, and other seller obligations from the gross sale proceeds, then adding any seller credits.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Real Estate Calculations	**Closing calculations**	**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 Seller net proceeds mean?

Seller net proceeds are the amount a seller receives after subtracting payoff amounts, brokerage compensation, taxes, closing costs, debits, and other seller obligations from the gross sale proceeds, then adding any seller credits.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Sale price is the gross starting amount. Net proceeds are what remains after the complete seller closing statement is applied.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

Georgia problems may include transfer tax based on consideration and attorney-closing charges. Use the allocations stated in the problem rather than assuming local custom.

WORKED EXAMPLE

A $400,000 sale has a $250,000 loan payoff, $24,000 commission, $4,000 other seller costs, and no credits. Seller net is $122,000.

EXAM TRAP

Do not subtract the buyer's new loan or down payment from the seller's price.

Memory cue: Do not subtract the buyer's new loan or down payment from the seller's price.

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 Seller net proceeds?

- **A** Buyer funds needed at closing are the buyer's purchase-price obligation plus buyer closing costs and debits, minus loan proceeds, deposits already paid, seller credits, and other credits shown in the problem.
- **B** Seller net proceeds are the amount a seller receives after subtracting payoff amounts, brokerage compensation, taxes, closing costs, debits, and other seller obligations from the gross sale proceeds, then adding any seller credits.
- **C** Georgia real estate transfer tax is an excise tax on a taxable conveyance of real property.
- **D** Proration is the allocation of a periodic income or expense between buyer and seller according to the portion of the period each party owns or occupies the property and the closing convention stated in the problem.

CORRECT ANSWER: B

Seller net proceeds is correct. Seller net proceeds are the amount a seller receives after subtracting payoff amounts, brokerage compensation, taxes, closing costs, debits, and other seller obligations from the gross sale proceeds, then adding any seller credits. Sale price is the gross starting amount. Net proceeds are what remains after the complete seller closing statement is applied. Georgia problems may include transfer tax based on consideration and attorney-closing charges. Use the allocations stated in the problem rather than assuming local custom.

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

Buyer funds needed at closing

Buyer funds needed at closing are the buyer's purchase-price obligation plus buyer closing costs and debits, minus loan proceeds, deposits already paid, seller credits, and other credits shown in the problem.

https://www.passgeorgiarealestate.com/glossary/buyer-funds-at-closing

RELATED TERM

Transfer tax

Georgia real estate transfer tax is an excise tax on a taxable conveyance of real property.

https://www.passgeorgiarealestate.com/glossary/transfer-tax

RELATED TERM

Proration

Proration is the allocation of a periodic income or expense between buyer and seller according to the portion of the period each party owns or occupies the property and the closing convention stated in the problem.

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

RELATED TERM

Equity

Equity is the owner's financial interest in property, calculated in a basic exam problem as current property value minus debts and liens against it.

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

RECOMMENDED NEXT COMPLETE LESSON

Real Estate Calculations complete lesson

https://www.passgeorgiarealestate.com/math/debits-and-credits

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 Department of Revenue, Recording and Transfer Taxes

Official source for Georgia transfer-tax and recording-tax treatment.

https://dor.georgia.gov/real-estate-transfer-tax