GEORGIA REAL ESTATE EXAM GLOSSARY

Unilateral contract

A unilateral contract is an offer of a promise that is accepted by completing the requested performance rather than by making a return promise.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Contracts	Contract formation	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 Unilateral contract mean?

A unilateral contract is an offer of a promise that is accepted by completing the requested performance rather than by making a return promise.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Unilateral means promise for performance. Bilateral means promise for promise.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

The national rule applies in Georgia. An option is unilateral in effect before exercise because the optionee has the right but no obligation to buy.

WORKED EXAMPLE

An owner promises a reward to a broker who produces a stated result, and no one is bound to act until the required performance occurs.

EXAM TRAP

One party speaking first does not make a contract unilateral. Examine the method of acceptance.

Memory cue: One party speaking first does not make a contract unilateral.

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 Unilateral contract?

- **A** A unilateral contract is an offer of a promise that is accepted by completing the requested performance rather than by making a return promise.
- **B** A bilateral contract is formed by an exchange of promises, with each party becoming both a promisor and a promisee.
- **C** An option contract gives the optionee the right, but not the obligation, to buy or lease property on stated terms within a stated time, in exchange for consideration supporting that promise.
- **D** An executed contract is a contract in which all parties have completed the promised performance.

CORRECT ANSWER: A

Unilateral contract is correct. A unilateral contract is an offer of a promise that is accepted by completing the requested performance rather than by making a return promise. Unilateral means promise for performance. Bilateral means promise for promise. The national rule applies in Georgia. An option is unilateral in effect before exercise because the optionee has the right but no obligation to buy.

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

Bilateral contract

A bilateral contract is formed by an exchange of promises, with each party becoming both a promisor and a promisee.

https://www.passgeorgiarealestate.com/glossary/bilateral-contract

RELATED TERM

Option contract

An option contract gives the optionee the right, but not the obligation, to buy or lease property on stated terms within a stated time, in exchange for consideration supporting that promise.

https://www.passgeorgiarealestate.com/glossary/option-contract

RELATED TERM

Executed contract

An executed contract is a contract in which all parties have completed the promised performance.

https://www.passgeorgiarealestate.com/glossary/executed-contract

RELATED TERM

Executory contract

An executory contract is a valid agreement under which one or more parties still have material performance due, such as a purchase contract between acceptance and closing.

https://www.passgeorgiarealestate.com/glossary/executory-contract

RECOMMENDED NEXT COMPLETE LESSON

Contracts complete lesson

https://www.passgeorgiarealestate.com/study-guide/contracts/classifications-and-status

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